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ABSTRACT

The first witness in this hearing was the Assistant Secretary for Food and Consumer Services, Department of Agriculture, who presented the Reagan Administration's 1984 budget proposals for cuts in child nutrition programs. The proposals included changes in the school lunch program, a freeze on the funding level of the WIC program, elimination of the Nutrition Education and Training Program, stepped up income verification measures, and the consolidation of the School Breakfast Program, the Child Care Food Program, and the Summer Food Service Program into a block grant format. Testimony criticizing the administration's proposals and their effect on program participation and availability was given by representatives of State and local governments, professional associations, and private groups, and by individuals. (CMG)

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OVERSIGHT ON ADMINISTRATION'S BUDGET PROPOSALS FOR CHILD NUTRITION PROGRAM

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HEARINGS

BEFORE THE

SUBCOMMITTEE ON ELEMENTARY, SECONDARY, AND VOCATIONAL EDUCATION

OF THE

COMMITTEE ON EDUCATION AND LABOR HOUSE OF REPRESENTATIVES

NINETY-EIGHTH CONGRESS

FIRST SESSION

HEARINGS HELD IN WASHINGTON, D.C., ON MARCH 1, 2, 3, 8, 9, 10, 1983

Printed for the use of the Committee on Education and Labor

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OVERSIGHT ON ADMINISTRATION'S BUDGET PROPOSALS FOR CHILD NUTRITION PROGRAM

TUESDAY, MARCH 1, 1983

HOUSE OF REPRESENTATIVES,
COMMITTEE ON EDUCATION AND LABOR,
SUBCOMMITTEE ON ELEMENTARY, SECONDARY,
AND VOCATIONAL EDUCATION,
Washington, D.C.

The subcommittee met, pursuant to call, at 9:25 a.m., in room 2175, Rayburn House Office Building, Hon. Carl D. Perkins (chairman of the subcommittee) presiding.

Members present: Representatives Perkins, Ford, Andrews, Miller, Kildee, Williams, and Packard.

Staff present: John F. Jennings, counsel; Beatrice Clay, legislative specialist; Mary Jane Fiske, senior legislative associate; and Beth Buehlmann, senior legislative associate.

Chairman PERKINS. Today the subcommittee is conducting oversight hearings on the President's fiscal year 1984 budget proposals for our child nutrition.

Two years ago $1.5 billion was carved out of child nutrition, resulting in 3 million fewer children and over 2,000 fewer schools participating in the school lunch program.

Last year Congress rejected further cutbacks in child nutrition. It was our view that these programs already had been cut to the bone and we got a severe jolt in Gramm-Latta II when the reimbursement rate was cut from approximately 39 cents down to about 26 cents, a third. As a result, we have had a 10- to 15-percent dropout in school lunch participation throughout the United States.

Up to that time we had the greatest feeding program in the world. We lost on the floor, I think, by 5 or 6 votes. Last year, Congress rejected further cutbacks in child nutrition because it was our view that the programs already had been cut too much. This year the administration again is proposing substantial cuts in the child nutrition programs.

Today we want to welcome Mary C. Jarratt, who is testifying on behalf of the administration. Ms. Jarratt is Assistant Secretary for Food and Consumer Services at the Department of Agriculture.

Ms. Jarratt, we are pleased that you could be with us today. You may proceed in any manner you prefer. I presume from your charts today that you are going to suggest block grants and so forth. I don't know how the committee feels about it, but I know how I feel, and I am going to call on Mr. Ford here for an opening statement this morning.

Mr. FORD. Thank you, Mr. Chairman.

I am happy that you are convening today's hearing as the first of 4 hearings to be conducted this month by your subcommittee on the fiscal year 1984 budget proposals for child nutrition.

While I wouldn't be so presumptuous as to attempt to speak for other members of the committee, I know I speak for you, Mr. Chairman, when I say that the budget cuts proposed by the administration in now 3 successive years for child nutrition are certainly the most unconscionable presented to us in the budget recommendations. I applaud you for the efforts you have made to mitigate the damage that indeed has been done to this program during this period.

I find it very difficult to understand what has happened between the rationale for this program when it was adopted in 1946 and where you are with these proposals. How has our attitude changed in terms of our commitment to maintaining a healthy population and developing the kind of people that this country needs so badly.

In the 1984 budget, the administration is proposing changes in the child nutrition programs of about $300 million below the 1983 levels. As you have already stated, the results of the cuts in the previous 2 years are already being felt and identified across the country, with literally millions of children being cut off from access to the nutrition programs.

To accomplish this $300 million cut, the administration proposes to delay inflation adjustments for meal and milk subsidy rates, terminate the school breakfast program, child care food program, summer food, and nutrition education, and training programs, create a general nutrition assistance grant program, lower the amount of the reduced-price school lunch subsidy, and require income eligibility determinations for reduced-price school lunches by food stamp offices instead of local school authorities.

I am amazed at the thought that a program like the food stamp program which has been attacked by virtually every spokesman from the administration ever since they arrived in town is now going to be relied upon as being more likely to properly administer these funds than the existing program which trusts our local school officials to do that for us.

I really don't understand, in view of the rhetoric of the last 2½ years, the rationale for saying we can't trust the local school officials to operate these programs effectively. How can we in Washington suggest that the people we have running a program which many at every turn of the way say is run inefficiently and has waste and overpayment in it, and think that it is better to have those "Feds" administer to the needs of children than people at the local level.

I will look forward very eagerly as I am sure you will, Mr. Chairman, to see what the rationale for this approach is as the administration presents its testimony this morning. I join you in welcoming Mary Jarratt to the committee. I know she was over here for a period of time with one of our committees and has long background in the subject matter that we have before us today.

Chairman PERKINS. Go ahead, Ms. Jarratt.

STATEMENT OF MARY C. JARRATT, ASSISTANT SECRETARY FOR FOOD AND CONSUMER SERVICES, U.S. DEPARTMENT OF AGRICULTURE, ACCOMPANIED BY ROBERT LEARD, ACTING ADMINISTRATOR, FOOD AND NUTRITION SERVICE; GEORGE A. BRALEY, DEPUTY ADMINISTRATOR FOR SPECIAL NUTRITION PROGRAMS, FOOD AND NUTRITION SERVICE; CHRISTINE SCHMIDT, DIRECTOR, ANALYSIS STAFF, OFFICE OF ANALYSIS AND EVALUATION, FOOD AND NUTRITION SERVICE; AND JOHN H. STOKES III, DIRECTOR, OFFICE OF ANALYSIS AND EVALUATION, FOOD AND NUTRITION SERVICE

Ms. JARRATT. Thank you, Mr. Chairman.

Chairman PERKINS. Without objection, your prepared statement will be inserted in the record.

Ms. JARRATT. It is a pleasure to be here this morning. I am accompanied by Mr. Robert Leard, on my left, who is the Acting Administrator of the Food and Nutrition Service, and by Mr. George Braley, who is in charge of our child nutrition programs, and others of the Food and Nutrition Service staff.

I am glad to be here especially since I foresee from your opening remarks that indeed there are some misperceptions about what our budget proposals do and I am happy to have the opportunity to have this dialog with you. Hopefully we can clear up some of those misperceptions.

We well recognize that the committee has had a very deep concern for our child-feeding programs, their design and their future, and the Department certainly shares that concern and remains committed to providing food assistance to all Americans who are most in need.

About 23 million students are receiving subsidized school lunches under the fiscal year 1983 budget proposals and will continue with coverage under 1984. Our supplemental food programs will provide nutritional assistance to well over 2 million women, infants and children.

When this administration took office, we inherited domestic feeding programs that had one of the most rapidly increasing rates of growth of all the Federal programs. Had it not been for the legislative changes that the administration and the Congress jointly proposed and implemented, we would have had expenditures this fiscal year of over $21 billion.

But with the better targeting, with the improved management, and so forth, we have reduced that expenditure and yet we feel that we are continuing our commitment to feed the neediest of the country's children and adults.

The goals of this year's budget proposal have been three in general:

First, we continue to want to streamline the administration of the program.

We want to reduce the error and the fraud potential.

And we want to curb the rate of growth and the benefits.

[Chart 1 follows:]

FY 1984 Child Nutrition Programs Budget

Proposal	Distribution of Savings
Streamline Administration	
Create General Nutrition Assistance Grant	72%
Eliminate Nutrition Education and Training Program	
Control Fraud	
Verify Income at Welfare Offices	6%
Cut Rate of Program Growth	
Six Month Delay of COLA	22%
Reduced Price Separate Index	

Net Savings in FY 1984 – $313 Million

Ms. JARRATT. The Department has developed, as you indicated, proposals which will accomplish savings of $313 million in fiscal year 1984, and $2.3 billion across the 5-year span 1984 to 1988. Seventy-two percent of these savings come from the establishment of a General Nutrition Assistance Grant funded at $535 million for 1984.

Another 6 percent of the savings will come from the verification of income for the lunch program by welfare offices, and 22 percent stems from the delay in the cost-of-living adjustment for 6 months and the creation of the independent subsidy base for reduced-price meals.

I should note that the Federal commitment to the national lunch program remains strong. The changes we propose represent ways to refine and streamline the program without changing its basic structure.

Child nutrition program initiatives of the past 2 years, which again the Congress and the administration fashioned, were designed to better target meal subsidies, to tighten individual eligibility, to tighten administration, and to eliminate low-priority programs. The result is improved programs which are better meeting the needs of the population they were designed to serve.

Even with this progress, the headlines we see fail to acknowledge our continued commitment to provide food assistance to those most in need. This commitment is evidenced by the fact that the Federal Government subsidizes either totally or in part more than 95 million meals a day.

Another general myth is that the needy children have been eliminated from the school lunch program. The fact is that subsidies provided for meals served to students from low-income families have increased consistently over the past 3 years. In 1980, you know that the Federal subsidy for a free lunch was $1.17. The rate is currently $1.26.

There have been modest declines in the number of free lunches served, as you indicated in your opening remarks. These declines

have occurred primarily because free meal eligibility limits were slightly reduced in 1981 to improve the targeting of the benefits, the school enrollment overall has declined, high-tuition private schools have been made ineligible for participation in the program, and perhaps most importantly, we have begun requiring the collection of social security numbers for the verification of income of households.

In addition, the supplemental food program for women, infants and children has continued to grow in recent years. Funding for this program has grown from $712 million in fiscal year 1980 to over a billion dollars this year. Our latest participation figures show that 2.4 million low-income women, infants and children are receiving benefits from this program. This represents a 20-percent increase in participation since last year.

While we do not expect to remain at 2.4 million, we do expect average participation in fiscal year 1983 to exceed that of 1982. Chart 2 reflects our participation funding level.

[Chart 2 follows:]

Supplemental Food Programs

	WIC	CSFP
■ Funding Level FY 1984	$1,060 Million	$32.6 Million
■ Change from FY 1983 Level	None	None

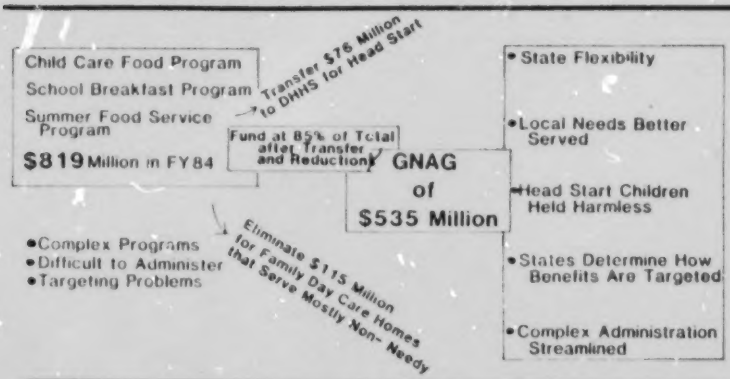
Ms. JARRATT. The Department is continuing to support the WIC program by proposing no changes to the program or its funding for fiscal year 1984. This is consistent with freezing the funding level of all domestic food programs.

The changes made in the programs over the last 3 years were made to strengthen their operation and assure that they remain viable by targeting benefits to the needy population which they were intended to serve. We continue to hold fast to that commitment.

Now turning specifically to the budgetary proposals that we are offering for 1984, the first one, of course, is the General Nutrition Assistance Grant, which is to be funded at $535 million and designed to simplify administration for State agencies.

[Chart 3 follows:]

General Assistance Grant of $535 Million


Child Care Food Program
School Breakfast Program
Summer Food Service Program
$819 Million in FY84
Transfer $76 Million to DHHS for Head Start
Fund at 85% of Total after Transfer and Reduction
GNAG of $535 Million
•State Flexibility
•Local Needs Better Served
•Head Start Children Held Harmless
•States Determine How Benefits Are Targeted
•Complex Administration Streamlined
•Complex Programs
•Difficult to Administer
•Targeting Problems
Eliminate $115 Million for Family Day Care Homes that Serve Mostly Non-Needy

Ms. JARRATT. By consolidating the funds for the summer program, the breakfast program and the child care program into this grant, State flexibility will increase substantially. The result will be enhanced administrative efficiency through the reduction of program complexity and programs tailored by the States to fit the needs of their population.

This consolidation of programs would result in reduced program costs of $208 million and reduced State administrative expenses of $9 million in fiscal year 1984.

There were some reasons for proposing this grant proposal, and let me share them with you.

We considered first proposing incremental changes to these three categorical programs because clearly there are problems with them as they are structured. For example, data from the recent study of the child care food program shows that funding for family day care homes is very poorly targeted. Under the current program structure, we would expect to spend $115 million on family day care meals for 1984. Data indicates that over three-fourths of those meals go to children over 130 percent of poverty and nearly two-thirds of the meals served in the program go to children from families with incomes over 185 percent of poverty.

Let's compare the subsidies of two children from the same higher income families who received benefits in the two different settings.

One child is in a family day care home and the other is in school. The student receives a lunch subsidized at 22 cents in cash and commodities, with possible additional bonus commodity support that currently averages about 8 cents a meal. The total subsidy, then, for that child is 30 cents per day.

The family day care student, on the other hand, receives a Federal subsidy of 98.5 cents. In addition, the same family day care child will also likely receive a breakfast and a Federal subsidy of 50.25 cents and a snack with a subsidy of about 30 cents.

This would not be of much concern if all of the vast majority of these children were from low-income families, but studies indicate

that only 24 percent of the children are from families below 130 percent of poverty, or essentially $12,000 a year for a family of four.

The summer food service program is another example of where we need to make substantial revisions. Admittedly our changes in the past have helped eliminate fraud and abuse and mismanagement. These legislative and regulatory improvements have had an impact, but substantial problems still remain.

For example, most program sites allow any child who shows up to receive free meals which are totally subsidized by the Federal Government. The only requirement is that the site operate in an area where over half the children are below 185 percent of the poverty level or are from a family of four with an income of essentially $17,000.

Also, many sites offer multiple meal service similar to the child care program. This means that any child from a family, rich or poor, can show up and claim several meal subsidies during the course of the day.

Finally, with the breakfast program, which is well targeted to low-income students, we have learned that it does not appear to be delivering the nutritional benefits that we had all thought. A recent national study of the school nutrition programs gave very high marks to the lunch programs in terms of nutritional benefits, but found the school breakfast program somewhat wanting.

We gave serious consideration, as I indicated, to proposing major modifications to these categorical programs to address these problems. However, we did not feel that at the Federal level we should dictate child nutrition priorities to State and local officials. Instead, we chose to make this information available and to consolidate the three existing programs into the grant funded at a level comparable to the cost of the programs net of the incremental reductions we would have proposed, those for helping target to the more needy participants in the programs.

The chart you now see describes the development of the General Nutrition Assistance Grant. In the absence of change, the child care, summer and school breakfast programs would cost $819 million, reflected in the box on the left of the chart, for fiscal year 1984.

We are proposing to transfer, as you know, $76 million to the Department of Health and Human Services to maintain funding for meal service to Head Start centers. We have eliminated the cost of the family day care meals from the base because of the targeting issues I mentioned.

Finally, the level of the grant was set at 85 percent of the remaining cost of those programs. The advantages of this approach include additional State flexibility, a better ability to meet State and local needs, simplified administration and nutrition assistance for Head Start, the targeting of benefits to States to help meet their own priorities, and the fact that these complex categorical Federal programs will be streamlined.

Now turning to the income verification issue, it was really an effort to reduce the potential for fraud and error that prompted this decision, and we are proposing to transfer income verification functions for school meals to welfare offices.

[Chart 4 follows:]

Verify Income at Welfare Offices

New System	Results
■ Welfare Offices Responsible for Eligibility Determination and Verification	■ Professionals Do Eligibility and Verification
■ Full Federal Reimbursement to Welfare Offices	■ Burden Removed from Educators
■ State Option to Retain Eligibility and Verification in Schools	■ Fraud and Misreporting Deterred

Ms. JARRATT. While there are admittedly a variety of ways in which this could work, in general the application process for food stamp households, which really represents two-thirds of those receiving free and reduced-price meals, it would be more simple. A more thorough review of applications from a sample of nonfood stamp households can be made and the verification that will take place may be completed by well trained professionals at the welfare office.

Food stamp offices would receive reimbursement, of course, for their services from enhanced State administrative expenses. This proposal will provide needed relief for the educators in our school systems who are currently responsible for the income verification.

I am very concerned that our proposal is being widely misinterpreted. We are not proposing, as some have indicated, that children be sent to food stamp offices to be certified to receive these meal benefits. We will allow State and local school officials to take advantage of the verification system and expertise that exists at the food stamp office.

Our proposal will allow States to design their own verification system that may best meet their needs if they choose not to go through the food stamp procedure.

Turning to the 6-month delay of cost-of-living benefits, this proposal is, of course, in accordance with the Government-wide policy to reduce spending and it would delay the effective date of the cost-of-living adjustment from July 1 to January 1. This delay affects all subsidy levels equally. No subsidy levels currently in effect would be reduced, and free and reduced-price participants would not be affected at all since the price they pay for their lunch would remain the same.

[Chart 5 follows:]

Delay the COLA Adjustment for Six Months

- Part of Government-wide Effort to Reduce Federal Deficits
- Free and Reduced Price Children Would Not Be Affected
- Six Month Delay Saves $66 Million in FY 1984

Ms. JARRATT. In creating the independent reduced-price subsidy level, under the current law we have a subsidy for reduced-price meals which is tied to the free-meal rate. Consequently, it is overcompensated when an adjustment for inflation is made.

We have proposed a modification of this provision. We are proposing that a subsidy level for reduced-price meals would be created that is not artificially tied to the free-meal subsidy. We would provide increased equity in determining subsidies, we believe. All subsidies would receive the same rate of adjustment to account for inflation.

The bottom part of the chart reflects the inflation adjustment for 10 percent under current law and what would be in our proposal.

[Chart 6 follows:]

Independent Subsidy Level for Reduced Price Meals

Current Law

Rate of Increase for Reduced Price Subsidies Higher Than Any Other Subsidy

- Because Level Is Set 40 Cents Less Than Free

Proposed Law

Makes Rate of Increase for Reduced Price Subsidies the Same As Other Subsidies

- Allows Reduced Price to Rise Slowly

Example

Under 10 Percent Inflation

	Rate of Increase	
	Free	Reduced Price
CURRENT LAW	10 Percent	15 Percent
PROPOSED LAW	10 Percent	10 Percent

Ms. JARRATT. We have also proposed the elimination of the nutrition education and training program. This is because the funds for this program were provided as seed money for the States to begin or augment existing nutrition education programs. To date, the Government has spent well over $94 million on this one program.

This generous funding, we feel, has created the basis for a successful program and we feel that the States are in a posture for carrying on on their own at this point. Now that nutrition education programs have been established, decisions about the future direction and the funding should be left to the State and local authorities, just as funding and priorities for other educational activities are left to the State and local level.

In summary, Mr. Chairman, the fiscal year 1984 budget proposals represent the continuation of a new system designed to reestablish the balance of decisionmaking among the State, Federal and local officials. As stated before, the goals of the budget are to simplify administration, to help improve flexibility, to tailor the programs more to the lower income spectrum of the income scale, and to help reduce the potential for error and abuse.

We believe that this legislative package is a positive effort to improve program operation at all levels of government.

Finally, I would reiterate to you that the two major child nutrition programs, namely, the lunch program and the WIC program, remain the cornerstone of our efforts in child feeding. There is a need for improving all programs, though, and streamlining them. We believe that child nutrition programs are a strong effort in this regard without jeopardizing the best interests of the children in the country.

We look forward to working with the committee on these proposals, and I will be happy to try to respond to any questions you may have.

[The prepared statement of Mary C. Jarrett follows:]

PREPARED STATEMENT OF MARY C. JARRATT, ASSISTANT SECRETARY FOR FOOD AND CONSUMER SERVICES, U.S. DEPARTMENT OF AGRICULTURE

Mr. Chairman, and members of the sub-committee, thank you for the opportunity to appear before you today to discuss the Fiscal Year 1984 budget and legislative proposals for the programs conducted by the Food and Nutrition Service of the Department of Agriculture. Accompanying me is Robert Leard, Acting Food and Nutrition Service Administrator.

This Committee has long shown its deep concern for child nutrition programs, their design, and their future. The Department shares this concern and remains committed to providing food assistance to those most in need. Almost 23 million students will receive subsidized school lunches under Fiscal Year 1984 budget proposals, and supplemental food programs will provide nutritional assistance to 2.4 million women, infants and children.

When this Administration took office, we inherited domestic feeding programs with one of the most rapidly increasing growth rates of all Federal programs. Had it not been for legislative changes over the last two years, which reduced potential for fraud and waste and tightened program administration, the food assistance programs would have cost almost $21 billion this year. Even with these changes, the cost of food assistance programs will have more than doubled between 1977 and 1983.

Goals of Legislative Proposal

The legislative proposal for Fiscal Year 1984 was developed with three goals in view. These goals are:

(1) To simplify program administration,

(2) To reduce error and deter fraud, and

(3) To curtail the growth rate in benefits.

(Chart 1)

The Department has developed a proposal which will accomplish these goals while saving $313 million in Fiscal Year 1984 and $2.3 billion across five fiscal years (Fiscal Year 1984-88). Seventy-two percent of the savings will come from the establishment of a General Nutrition Assistance Grant funded at $535 million in Fiscal Year 1984. Another six percent of the savings will result from the verification of income for the lunch program by welfare offices. The final twenty-two percent stems from a delay of the Cost of Living Adjustment for six months and the creation of an independent subsidy for reduced price meals. I should note, however, that the Federal commitment to the National School Lunch Program remains strong. The changes we propose represent ways to refine and streamline this program without changes in its basic nature.

Child Nutrition Programs

Child nutrition program initiatives of the past two years were designed to (1) better target meal subsidies, (2) tighten individual eligibility, (3) streamline and tighten administration, and (4) eliminate low priority

programs. The result is improved programs which are better meeting the needs of the population they were designed to serve -- the most needy.

Even with this progress, the headlines we see fail to acknowledge our continued commitment to provide food assistance for those most in need. This commitment is evidenced by the fact that the Federal government subsidizes over 95 million meals per day. Another general myth is that needy children have been eliminated from the National School Lunch Program. The fact is that subsidies provided for meals served to students from low-income families have increased consistently over the past three years. In 1980, the Federal subsidy for free school lunches was $1.17; that rate is currently $1.26. There have been modest declines in the number of free lunches served. These declines have occurred primarily because (1) free meal eligibility levels were slightly reduced in 1981 to improve the targeting of benfits, (2) school enrollment has declined, (3) high-tuition private schools have been made ineligible to participate in the program, and (4) social security numbers are being required and verification of income is increasing, thus deterring false reporting.

While we subsidize approximately 2.6 million fewer students than we did two years ago, 74 percent of the decline has been attributable to students from families with income over 185 percent of the poverty line, and 86 percent of the decline represents students from families over 130 percent of the poverty line.

In addition, the Special Supplemental Food Program for Women, Infants and Children (WIC) has continued to grow in recent years. Funding for the WIC program has grown from $712 million in Fiscal Year 1980 to $1,060 million this year. Our latest participation figures show that 2.4 million low-income women, infants and children are receiving benefits from this program. This represents a 20 percent increase in participation since last year. While we do not expect to remain at 2.4 million, we do expect average participation in Fiscal Year 1983 to exceed that of Fiscal Year 1982. (Chart 2)

The Department is continuing its support of the WIC Program by proposing no changes to the program or its funding for Fiscal Year 1984. This is consistent with freezing the

subsidy levels in all domestic food programs.

The changes made in the programs over the last three years were made to strengthen their operation and assure they remain viable by targeting benefits to the needy population which they were intended to serve. The Administration continues to hold fast to that commitment.

Budgetary Proposals

(1) The General Nutrition Assistance Grant

The proposed General Nutrition Assistance Grant of $535 million is designed to simplify program administration for State agencies. By consolidating funds now available for the Summer Food Service, School Breakfast and Child Care Food Programs into the General Nutrition Assistance Grant, State flexibility will increase substantially. The result will be enhanced administrative efficiencies through the reduction of program complexity and programs tailored by the States to fit the needs of their population. This consolidation

of programs would result in reduced program costs of $208 million and reduced State administrative expenses (SAE) of $9 million in Fiscal Year 1984.

In developing the Fiscal Year 1984 budget, we considered proposing incremental changes to the three categorical programs which are to be replaced by the General Nutrition Assistance Grant. Clearly there are problems with these programs as they are currently structured. For example, data from a recent study of the Child Care Food Program shows that funding for family day care homes is very poorly targeted. Under the current program structure, we would expect to spend $115 million on family day care meals in fiscal year 1984. Data indicates that over three-fourths of the meals go to children over 130 percent of poverty, and nearly two-thirds of the meals served in this program go to children from even higher income families that earn over 185 percent of poverty. Let's compare the subsidies that two children from the same higher-income family would receive in two different settings. One child is in a family day care home and the other is in school. The student receives a lunch subsidized at 22 cents in cash and commodities with possible additional bonus commodities which currently average 8 cents per meal. The total subsidy is 30 cents per day. The family day care operated lunch receives a federal subsidy of

98.5 cents. In addition, the same family day care child will also likely receive a breakfast with a Federal subsidy of 50.25 cents and a snack with a subsidy of 29.5 cents. This would not be of such concern if all or the vast majority of these children were from low-income families. Studies indicate that only 24 percent of the children are from families below 130 percent of poverty.

The Summer Food Service Program is another example of a program in need of substantial revision. In the past, this program has been fraught with fraud, abuse and mismanagement. Through legislative and regulatory improvements, the program has been improved but many problems remain. For example, most program sites allow any child who shows up to receive free meals which are totally subsidized by the Federal government. The only requirement is that the site operate in an area where over half the children are below 185 percent of the poverty level. Also, many sites offer multiple meal service similar to the Child Care Program. This means that any child from any family, rich or poor, can show

up and claim several meals during the course of the day.

Finally, the School Breakfast Program which is well targeted to low-income students, does not appear to be delivering the nutritional benefits that we had all thought. A recent national study of the school nutrition programs gave very high marks to the lunch program in terms of nutritional benefits, but found the School Breakfast Program wanting.

We gave serious consideration to proposing major modifications in the current categorical programs to address these and other problems. However, we did not feel that we at the Federal level should dictate child nutrition priorities to State and local officials. Instead, we choose to consolidate the three existing programs into a General Nutrition Assistance Grant funded at a level comparable to the cost of these programs net of the incremental reductions we would have proposed. The chart which you now see describes the development of the General Nutrition Assistance Grant (Chart 3). In the absence of change the Child Care, Summer and School Breakfast Programs would cost

$819 million in fiscal year 1984. We are proposing to transfer $76 million to HHS to maintain funding for meal service in Head Start Centers. We also eliminated the cost of family day care meals from the base because of the targeting issues I mentioned earlier. Finally, the level of the grant was set at 85% of the remaining cost of those programs. The advantages of this approach include (1) added State flexibility, (2) local needs can be better served, (3) simplified administration of nutrition assistance to Head Start, (4) States can target benefits to meet their own priorities, and (5) these complex categorical federal programs will be streamlined.

(2) New Income Verification Initiative

In an effort to reduce error and deter fraud, the Department is proposing to transfer income verification functions for school meals to welfare offices. While there are a variety of ways in which this could work, in general the application process for food stamp households which represents two-thirds of those receiving free and reduced price meals, would be more simple. A more thorough review of applications from a sample of non-food stamp households, can be made and the verification that will take place may be completed by well trained professional staff from the Food Stamp office. Food Stamp offices would receive reimbursement for their services from enhanced State Administrative

Expenses. This proposal will provide needed relief to educators in our school systems who are currently responsible for income verification. I am very concerned that our proposal is being widely misinterpreted. We are not proposing that children be sent to food stamp offices to be certified to receive free or reduced-price meals. We will allow State and local school officials to take advantage of verification systems and expertise that exists in the Food Stamp offices. Our proposal will allow States to design verification systems that best meet their needs using the resources of both the education and welfare systems. (Chart 4)

(3) Six-month Delay of Cost-of-Living Adjustment

This proposal, in accordance with the governmentwide policy to reduce spending, would delay the effective date of the cost-of-living adjustment from July 1 to January 1. This delay affects all subsidy levels equally. No subsidy levels currently in effect would be reduced, and free and reduced-price participants would not be affected at all, since the price they pay for their lunches would remain the same.(Chart 5)

(4) Create an Independent Reduced-Price Subsidy Level

Under current law the subsidy for reduced-price meals is tied to the free meal rate. Consequently, it is over compensated when an adjustment for inflation is made. We propose modification of this provision. Instead, a subsidy level for reduced-price meals would be created that is not tied artifically to the free meal subsidy. This proposal would provide increased equity in determining subsidies. All subsidies would receive the same rate of adjustments to account for inflation.(Chart 6)

(5) Eliminate the Nutrition Education and Training Program

The Department is proposing termination of the Nutrition Education and Training (NET) Program. Funds for this program were provided as seed money for the States to begin or augment existing nutrition education programs. To date, Federal support for NET has totaled about $94 million. This generous funding has created the basis for a successful program. The States should be

in a position to take over funding of this program and decide the appropriate funding level for such activities. Now that nutrition education programs have been established, decisions about their future direction and funding should be left to State and local officials just as funding and priorities for other educational activities are left to State and local educators.

The Fiscal Year 1984 budget proposals represent the continuation of a new system designed to re-establish the balance of decisionmaking among the Federal, State and local levels of government. As stated before, the goals of the budget are to simplify program administration by consolidating programs and providing States the flexibility to tailor the specific programs offered to the needs of their localities, to reduce error and deter fraud by transferring income verification responsibilities from school administrators to trained and experienced food stamp staffs and to curtail growth in spending by delaying the cost-of-living adjustments by six months and creating a separate subsidy level for reduced-price meals. We believe that this

legislative package is a positive effort to improve program operations at all levels of government.

Finally, I would reiterate that the two major Child Nutrition programs, namely, the National School Lunch Program and the Supplemental Feeding Program for Women, Infants, and Children (WIC), have not been significantly reduced for 1984 despite the necessity to reduce the overall Federal Budget. We view these two programs as the cornerstone of our Child Nutrition efforts. Still, there is need for improving and streamlining all programs. We believe these child nutrition proposals are a strong effort in that regard without jeopardizing the best interests of the Children of America. We look forward to working with this Committee on our proposals.

This concludes my statement.
I will be glad to answer any questions you may have at this time.

Chairman PERKINS. Your testimony is very interesting to me today.

You say that your new block grant for the breakfast, summer and child care programs will streamline administration, and you use that streamlining as a justification for a 28-percent cut in funds. Yet the GAO tells us that block grants result in only a slight decline in administration costs.

So you are really proposing cuts in food for these poor children. How can you justify that today in light of our economic conditions in this country, especially when your testimony runs counter to the GAO findings?

Ms. JARRATT. Well, sir, we are not indicating that all the savings accrue from administrative relief. If I were a State official and I were responsible for administering the family day care program, for example, and I knew that the majority of those benefits were going to people who were not needy, were going to families with incomes above 185 percent of poverty, or $17,000 a year for a family of four, I, as a State official, would rather take that funding and direct it to the unemployed, to the person at the safety net level or just above, where there was high unemployment, where I had the guarantee of knowing that the child was in need of relief.

I do believe, and I would as a local official, too, believe that if a family had an income above 185 percent of poverty it would be better able to help itself than the family that didn't.

Chairman PERKINS. The real purpose of this block grant approach is to get the Government out of the business, isn't it, and to cut the Government's share way back? Isn't that the real purpose of the block grant approach, and that has been the purpose for several years?

Ms. JARRATT. I think that would be left to the State official, Mr. Chairman. If I were in that posture and I were looking at the consolidated funds for these three programs, I might not fund all three or I might fund all three, but I would surely target them to the needier persons.

Chairman PERKINS. Here the administration is proposing to consolidate the child care food, school breakfast, and summer food programs into one single block grant at an annual funding level of $535 million. This proposal means a 28-percent cut in program funds.

I want to know how you can justify such a severe cut when nearly 90 percent of the program funds now target low-income children. How are you going to justify cutting these programs 28 percent?

Ms. JARRATT. Our data simply don't indicate, Mr. Chairman, that they are targeting to low-income children. I would use the resources that are provided which we believe adequately cover those low-income children. I would not continue to fund children above 185 percent of poverty.

I would not want the Federal Government administering a family day care program, because I, as a Federal official, can sit here and tell you for sure that I cannot guarantee that the benefits delivered in an individual home are meeting Federal guidelines, and I don't think any Federal official can.

Chairman PERKINS. Do you believe this is a really sensible cut, to cut back 28 percent in this area, under the guise of a block grant approach?

Ms. JARRATT. Indeed I do, on the basis of the fact that the programs as they currently exist are not targeted to the needy.

Chairman PERKINS. Who will feed these disadvantaged youngsters throughout the Nation if we do that?

Ms. JARRATT. I don't think that a child at 185 percent of poverty is disadvantaged while I do consider one at 130 percent of poverty to be disadvantaged.

Chairman PERKINS. I disagree with you altogether.

Your proposals include a requirement that all free and reduced-price meal applications be verified at welfare offices.

What studies has the Department conducted that show this procedure to be a viable alternative to the present system?

Ms. JARRATT. Mr. Chairman, all applications would not be verified. The proposal would require that 3 percent of applications, or about 3,000 in the school, whichever is less, would be verified, but not all applications.

We are doing this because an Office of Inspector General audit indicates that well over 30 percent of the children that were participating in the school lunch program in school year 1979, and 1980, I believe, were participating on the basis of falsely stated income. So it is to help assure that the child who receives the benefit is receiving the proper benefit based on his parents' income.

Chairman PERKINS. Mr. Ford, I will ask you to take the chair at this time.

Mr. FORD [presiding]. I am fascinated by the thrust of your statement, in that for the first time in my 10 terms on this committee, I have heard somebody from an administration describe these programs as welfare programs.

Do you regard the school lunch program and other child nutrition programs to be an extension of our welfare program?

Ms. JARRATT. I don't believe I characterized the child nutrition programs as welfare programs. I do characterize the food stamp program as a welfare program.

Mr. FORD. Weren't you on the Committee on Agriculture staff when that program was written?

Ms. JARRATT. Yes, I was.

Mr. FORD. Do you remember anybody ever calling it a welfare program?

Ms. JARRATT. Indeed, I do.

Mr. FORD. I thought it was sold as a way to maximize the market for agricultural products.

Ms. JARRATT. Some people hold that view. That is one implication of it.

Mr. FORD. Did you ever try to suggest to the beef feeders or cattle farmers that you were going to suspend it and see what happened?

Ms. JARRATT. Never have suggested it to beef feeders.

Mr. FORD. Do you think they regard it as a welfare program?

Ms. JARRATT. I do regard it as a welfare program; as an income transfer program.

Mr. FORD. And you feel that the child nutrition program is some kind of a logical extension of the food stamp program, which you characterize as welfare?

Ms. JARRATT. Both programs are to provide nutritional assistance to families. The food stamp program provides it in terms——

Mr. FORD. What is the characteristic of the program that makes you call it a welfare program?

Ms. JARRATT. It simply provides a household more money to obtain nutritional assistance, but we do not have any guarantee that all that money——

Mr. FORD. At what point in the school lunch program did we start to find out whether or not a family was on "welfare" as a qualifier for the school lunch? When did we start doing that?

Ms. JARRATT. We aren't doing that.

Mr. FORD. You talk with great ease about verifying a sample of the participants with the local welfare office. What does the local welfare office know about the kids in that school?

Ms. JARRATT. Mr. Ford, the eligibility for food stamps is 130 percent of poverty, exactly the same cut-off as the eligibility limit for free lunch. School officials could simply refer the social security number on the application that we are requiring to be collected to that food stamp office and the food stamp office could make a determination as to whether that——

Mr. FORD. But aren't you, in effect, consigning people to a decision that says that unless you are willing to subject yourself to the humiliation of being identified as a welfare level case in qualifying for food stamps, your child can't participate in the lunch program?

Ms. JARRATT. No name would be transmitted to that welfare office.

Mr. FORD. How are you going to verify it without the name?

Ms. JARRATT. Food stamp applications and school lunch applications both will have social security numbers on them, so if the food stamp family is on the food stamp——

Mr. FORD. What if the family doesn't choose to apply for food stamps? Does that mean that your verification would show that they were stealing the meal?

Ms. JARRATT. They could still apply. We will be making verifications of applications that are not determined by the food stamp office because some applications will be reduced price and, of course, they will probably not be on the food stamp rolls.

Mr. FORD. What is the experience, or the study if you will, that leads you to believe that school officials can accomplish—according to your chart—all these hundreds of millions of dollars of savings in the budget proposal. You say 72 percent of them are accounted for by the reduced administrative cost through your block grant proposal, and 6 percent by tightening up and eliminating fraud and abuse.

Are you saying that you have something that indicates to you that there is something in excess of 6 percent? You don't expect that you will root out 100 percent of any kind of fraud and abuse. If these kids want to sneak over into the poor section of town and get a free meal, they are going to do it no matter how many Feds we put out there.

Ms. JARRATT. Indeed we do not. But we do have an office——

Mr. FORD. Let me finish.

What do you have to tell us that you have 10 percent waste and that by doing what you are doing, you are going to save 6 percent of that? What are you referring to when you talk about that fraud and abuse? Is that just the holdover rhetoric of the President's speeches, or do you have something that you can put your hands on?

Ms. JARRATT. I don't think it is a holdover, and I don't think the Congress felt it was either.

Mr. FORD. Do you have any kind of a study that will justify making a statement like that?

Ms. JARRATT. Indeed, we do. I don't think the Congress felt it was holdover rhetoric either, Mr. Ford.

Mr. FORD. I am not talking for the Congress. I am asking you a question.

Can you verify what you have just said?

Ms. JARRATT. Yes, we can.

Mr. FORD. Well, please do. I will be very happy to suspend until you present us with the study you are referring to. You come in here and start throwing figures around from studies. You must have them. You have a half a dozen bureaucrats with you from the Department of Agriculture. Surely one of them has something in his pocket that will verify what you are saying.

Ms. JARRATT. This committee has the study in its possession also, so it shouldn't be shocking evidence to you, Mr. Ford.

Mr. FORD. I am not at all shocked by the evidence. I am shocked that you are having so much difficulty verifying a quite flat categorical statement like, "We are going to eliminate 6 percent of fraud and abuse," in a program over which we have heard no complaints from the public about fraud and abuse.

Ms. JARRATT. That is not a categorical statement I made. The statement I made is that we have evidence from an Office of Inspector General report on the 1979-1980 school year.

Mr. FORD. Do you have that report, so that we can look at it?

Ms. JARRATT. The committee has it. We don't have a copy with us. We can certainly provide it.

Mr. FORD. Would you identify it with specificity for the record? You are referring to a report issued when, and by whom?

Ms. JARRATT. The Office of Inspector General of the Department of Agriculture which indicates that approximately 30 percent——

Mr. FORD. When was this report?

Ms. JARRATT. 1980; that approximately 30 percent of the participation in the lunch program was based on false participation by category.

Mr. FORD. What was the nature of that false participation?

Ms. JARRATT. Underreporting; understatement of income to allow eligibility for reduced-price meals when it should have been paid or a free-priced meal when it should have been——

Mr. FORD. What would have been the level of eligibility in the period covered by that study?

Ms. JARRATT. 125 percent of poverty and 195 percent.

Mr. FORD. What was poverty in that year?

Ms. JARRATT. I don't recall off the top of my head.

Mr. FORD. What is poverty this year?

Ms. JARRATT. For a family of four, 130 percent of poverty is $12,000.

Mr. FORD. Are you talking about the Orshansky formula for poverty?

Ms. JARRATT. It is $8,300 for a family of four this year.

Mr. FORD. How much?

Ms. JARRATT. $8,300.

Mr. FORD. $8,300?

Ms. JARRATT. Yes.

Mr. FORD. For a family of four.

Ms. JARRATT. The poverty level.

Mr. FORD. Whose definition of poverty is that?

Ms. JARRATT. OMB, the Office of Management and Budget.

Mr. FORD. What is it based on; do you know?

The Department of Labor says that a family of four is poor in the city of Detroit at $16,500 and you are saying that a family of four is not poor until they get down to $8,000.

Ms. JARRATT. I did not say that.

Mr. FORD. No, that the poverty definition that you are referring to in your testimony is $8,000 how much in that report?

Ms. JARRATT. One hundred percent of poverty is not the eligibility criteria for a free lunch, Mr. Ford. It is 130 percent of poverty.

Mr. FORD. 130 percent.

Ms. JARRATT. So that is about $12,000 a year for a family of four.

Mr. FORD. So you are suggesting that there were people in families of four who are making $12,000 a year and nevertheless their children were participating in the reduced-price lunch program?

Ms. JARRATT. Right.

Mr. FORD. We have to stop that kind of criminal rip-off, I can tell you, because a family of four with $12,000 in any urban area in this country is just rolling in dough. That is a terrible thing for them to be doing.

I find it very difficult to take you seriously when you describe in your somber tones these little kids sneaking over and ripping off a meal in a cafeteria line. We had a devil of a time getting our kids to go to a cafeteria in school because they were a little too picky for the food selections being offered. I think you have to be pretty hungry.

Have you been through a school lunch line?

Ms. JARRATT. Indeed, I have.

Mr. FORD. You have to be hungry to eat some of the food being offered, don't you?

Ms. JARRATT. I think that is an insult to the people who run this program. I think they do a very good job.

Mr. FORD. No, I think it is a characterization of the way most American kids react to institutional feeding. I didn't like the meals in the Navy and I didn't like the meals in college, either, if that makes you feel better. But most of us react to institutional cooking and institutional food service because we come out of a household where we are not used to certain items and the way in which an institutional setting presents them.

Little children have a great deal of difficulty learning to accommodate to the school lunch program and they don't do it with great alacrity. They don't run over there and get cheeseburgers; they

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would rather go down to McDonald's than go through the school lunch line. We know that. Even with the new regulations proposed last year substituting french fries and relish for the vegetable component instead of green beans, we weren't going to get much improvement in the participation.

We know that the day that they serve pizza they get the biggest participation of the year from one end of the country to the other, and we know the day that they used to serve turkey roll they got the poorest participation. So we know some things about what children do in the way of choice.

I am suggesting to you that you are wasting our time trying to rationalize these budget-saving cuts by saying you are going to stop kids from stealing meals. I don't think there is anybody out there in the American public who is going to believe that that is a serious threat to our public health, welfare, and safety.

Let's talk about the 72 percent you are going to save by block grants. Would you break down for us how that saves 28 percent of the program costs?

Ms. JARRATT. Yes. Can we have the chart back up, please?

Mr. BRALEY. On the left side of that chart it shows the total budget expenditure in 1984 for the existing three programs that are being proposed for consolidation under this grant of $819 million and it describes some of the difficulties with those current programs.

Mr. FORD. Where do you develop the $819 million from?

Mr. BRALEY. Where is that $819 million from? That is from our budget estimate for fiscal year 1984. It is current services, essentially. If those programs were left intact under existing legislation, that is how much we project they would cost in fiscal year 1984.

Mr. FORD. And that includes an inflation factor?

Mr. BRALEY. Yes, it does.

Moving through there, we have proposed a transfer of $76 million to continue full funding for meals served in Head Start centers because of the success of that program.

It does eliminate $115 million from the base for the family day-care homes for the reason that the Assistant Secretary described in her testimony; namely, that those meals are not well targeted.

Finally, it would fund the grant at 85 percent of the total cost of those three programs after that transfer and reduction, which is $535 million, which does equate to something in the neighborhood of 25 to 28 percent.

Mr. MILLER. Excuse me, Mr. Chairman. I can't read in the red. What does it say in the red?

Mr. BRALEY. It says fund at 85 percent of total after transfer and reduction.

Mr. MILLER. What does it say at the bottom in the flesh color?

Mr. BRALEY. It eliminates $115 million for family day-care homes that serve mostly non-needy.

In terms of concentrating on that, it is important in terms of how the funding level was developed, but as the Assistant Secretary indicated in her testimony, this was done in lieu of incremental changes that we could have proposed to the existing set of programs. I think it is important to bear in mind some of those in

terms of modifications in family day care, summer food service programs and school breakfast programs.

It wasn't just a flat percentage reduction in the programs.

Mr. FORD. I can understand that moving from the box on the left to the box on the right, someplace along the line the numbers changed and there is less money ending up out here to the right than you started with on the left.

What I want to know is how you account for that less money? What is the saving that is involved with drawing the chart this way? I can understand the saving straight out, that you are eliminating $115 million from family day-care meals. That is flat and straight. That is not an administrative saving, is it? Do you call that an administrative saving?

Mr. BRALEY. No.

Mr. FORD. Well, isn't that part of what you take into account when you claim that your administrative saving by going to block grants is going to save 72 percent of the money that is to be saved from last year's budget?

Mr. BRALEY. It is not strictly administrative savings.

Mr. FORD. It is not strictly administrative. How would you characterize a flat statement of your intention to eliminate $115 million from family day-care homes that serve mostly non-needy? Does that mean that you will not eliminate all family day-care homes, but only those that serve mostly non-needy?

Mr. BRALEY. What we are saying is that we are not going to make those decisions at the Federal level.

Mr. FORD. Does $115 million knock out all the family day-care homes or only those that are serving mostly non-needy?

Mr. BRALEY. That is the total projected funding for family day-care operations?

Mr. FORD. So you eliminate family day-care feeding completely.

Mr. BRALEY. We do not eliminate anything completely in the sense that the State could have a family day-care type of program.

Mr. FORD. But you are not going to give the State the money for it.

Mr. BRALEY. I am sorry. I didn't hear that.

Mr. FORD. You are going to say, "We think that the program isn't targeted well. It serves mostly nonneedy, so we are going to withdraw our entire investment in it. But if you, Governor, have a lot of money laying around, you should go ahead and support this wasteful program without our money."

Is that what you are saying? What you are doing is saying, "We are going to take the money away from the States and the local people and say to them that we are not telling you you can't run the program. You have the right. You have a block grant program. It just has no money in it.

You don't have to give them permission to run that program. If they had the money, they obviously would be running them. They wouldn't be coming to us.

Mr. BRALEY. But they could run that type of an operation out of this $535 million grant if that was the priority that the State established.

Mr. FORD. You mean that they could take it out of the school lunch program?

Mr. BRALEY. No, they could take it out of the $535 million envisioned up there.

What we are saying is, that would not be within our priority scheme in terms of what we feel should be funded because of the lack of targeting of family day care benefits.

Mr. FORD. Why, when you account for $115 million reduction, do you account for it out of that without taking note of the fact that you are reducing the total pot for the child care food program, school breakfast program, and summer food service program? All three of those programs will be reduced accordingly, won't they?

Mr. LEARD. They will, but we think, Mr. Ford, that the States will better target their resources and get to the more needy people.

Mr. FORD. Have you tried to explain to any Governor in this country that you can give him 50 cents to replace a dollar because he can target it better and get the same service for his people out of it?

Ms. JARRATT. That Governor might not be spending that total dollar the way the Federal Government is spending the total dollar, Mr. Ford.

We are making this proposal net of the incremental changes that we would have made had we addressed these programs categorically, and that is because they were not targeted to the neediest children in the population.

Mr. FORD. What is the basis for determining that you can eliminate 28 percent of the funds without impeding the programs because they are going to be administered better when you block grant them? What basis is there for that assumption? What will they do that isn't being done now?

If you can do that, as a matter of fact, we ought to put you in charge of the automobile industry and the steel industry in this country, because any time you come up with a chart that shows a 72-pecent gain because of more efficiency, that is fantastic. I don't think you really meant that chart to be misleading and to say that you were saving 72 percent of the program costs. But that is the impression that a quick glance at your chart would leave.

What you meant to say is that 72 percent of the 28 percent you are cutting from the programs is accounted for by simply saying, "Well, that will be made up by better administration." You tell me what kind of better administration is going to make up that money.

Mr. LEARD. Mr. Ford, the 72 percent was on another chart, and that was 72 percent of the total savings of $300 million for all the programs. It had nothing to do with this particular number. So that 72 is a nonoperative right here.

What we are saying is that we think that the States, with the amount that we would give them, would better target and tighten up these programs and it would be their choice.

Mr. FORD. Would you have the young man put the chart back on with the 72 percent?

Mr. LEARD. Yes, I will.

Mr. FORD. This whole exchange started with me asking for an explanation of what kind of administrative savings account for the 72 percent.

Mr. LEARD. The 72 percent right there is 72 percent of the net savings of $313 million, which is the total that we are suggesting.

Mr. FORD. Streamlined administration.

Mr. LEARD. That is correct.

Mr. FORD. Tell me how that works.

Mr. LEARD. We have just said, by giving the money to the States and making it a State option as to how they would run the program, we would expect them to better target to their needs, which they know better than we know, and let them eliminate some of the fat in the administration in the program where we now have programs that overlap.

Mr. FORD. Suppose they get targeted to eliminate the full 6 percent fraud that you have on there. How does that get them 28 percent?

Mr. LEARD. The 6 percent does not refer to the block grant. This is an overview of all of the parts of this program right here.

Mr. FORD. But on that chart, you are going to save 6 percent by eliminnating fraud.

Mr. LEARD. That is correct. That 6 percent refers to what we feel we would save from verification, from people misreporting who, when they know that there will be some kind of verification of what they report, will either correctly report or, if they are ineligible, will not try and become eligible for the program.

We had studies that lead us to believe that this will happen.

Mr. FORD. Didn't you just say that the way in which the streamlined administration would save money was by what you are now describing as what is covered by the 6 percent?

Mr. LEARD. I did not.

Mr. FORD. Then go back and refresh me.

What is it that is going to save the 72 percent?

Mr. LEARD. That 72 percent refers to a number $300 million. It is a number you should not tie to that——

Mr. FORD. It isn't my chart; it is your chart. I just want to know what it means.

Mr. LEARD. All right. Let's talk about the $200 million. That is what 72 percent of that is. We are saying that by eliminating the family day care and putting the nutritional assistance grant at 85 percent, we will take that money and give it to the States, and we feel the States will better target to the people at poverty and below the 130 percent, rather than letting some of these programs feed children well above the 185, very poorly targeted programs, and that by making it the State's choice, they will focus on the most important programs to them and cut back both in administration and in the number of people served by better targeting.

Mr. FORD. But, then, what does that leave to be done for fraud?

Mr. LEARD. Fraud is a separate issue. That 6 percent has nothing to do with the nutritional assistance grant. That 6 percent is referring to the verification part of the school lunch program. This is an overview chart.

This 6 percent fraud refers to the misreporting of income in the school lunch program, which we would have by verification, separate from the nutritional assistance grant. It is 2 different issues.

Mr. FORD. Let me see if I understand this.

It is your feeling that if local school officials believe that the welfare people from the Fed were going to verify a sample of their children, that they would tighten up their own practices so that children who are sneaking through the line who are not qualified would be eliminated from the program. Is that right?

Mr. LEARD. That is incorrect, sir. What we are talking about is the misreporting of income by parents to make their children qualified for this program. It has nothing to do with children sneaking through the line.

Ms. JARRATT. And the verification is not done by the Federal Government. Food stamp employees are State or local employees at the local level. We don't have Federal employees at the local level in food stamps.

Mr. LEARD. We would further point out that this is optional. If the school food authority chose, it could do this. We are getting quite a bit of feedback from school food authorities who believe that they are educators and do not wish to have to do this and are encouraged by the fact that we will assist them by having this verification done at the food stamp office.

Mr. FORD. How do you verify the income of somebody at the welfare office who, for whatever reason, chooses not to sign up for welfare? You keep talking as if everybody out there ran right over and signed up for welfare as soon as they qualified.

Mr. LEARD. That is not the way it is done. You can take the social security number and the amount of wages that are reported with it and you can verify through wage matching. That is one way of doing it.

Mr. FORD. Where do you do that?

Mr. LEARD. The Social Security Office, unemployment, records. Every State can do that.

Mr. FORD. I have to correct you. If anybody at the Social Security Office gets caught giving you that kind of information, they are going to be prosecuted for a felony. It is against the law for the Social Security agency to do that kind of matching for you.

Mr. LEARD. I am told it can be done right at the welfare office.

Mr. FORD. Where does the welfare office get the payroll records?

Mr. LEARD. State and payroll records.

Mr. FORD. What State payroll records?

Mr. LEARD. I can't tell how Michigan does it, but most States have these records.

Mr. FORD. Do you think that the State of California has any record on the payroll of the employees of the private corporations in that State?

Ms. JARRATT. The State Employment Service has it, Mr. Ford. Bendix. It is on a number of programs. The State Emloyment Service has most income information.

Mr. FORD. The State Employment Service has what?

Ms. JARRATT. Income information of people in their State.

Mr. FORD. Oh, come on. What kind of a police state do you think we have out there? Do you imagine that there are computers sitting over there full of information? You can't verify the kind of thing you are talking about.

Ms. JARRATT. I am not imagining it, sir. They are there.

Mr. LEARD. They are there.

Mr. FORD. They are not there. Can you tell me one State that has a payroll record on all of the people of that State, employed or unemployed; one State that keeps such a record?

Mr. LEARD. New Jersey.

Ms. JARRATT. Practically all of them have it.

Mr. FORD. Practically all of them?

Ms. JARRATT. They are doing wage matches.

Mr. FORD. Are you the people who put this plan together and figured out the 72 percent savings?

Ms. JARRATT. They are doing wage match in food stamps now.

Mr. FORD. Are you responsible for putting this thing together?

Ms. JARRATT. Yes.

Mr. FORD. And you are telling me that all of the States, or practically all of the States, keep payroll records on all of their residents, whether they are employed or not?

Ms. JARRATT. The Government has been doing this for some time.

Mr. FORD. The Government has been doing this for some time?

Ms. JARRATT. Social security information, employment records.

Mr. FORD. Social security information? By what right does anybody in the State ask for social security information?

Ms. JARRATT. We have ability under the food stamp program right now to wage match against social security records, employment records, and we are doing it.

Mr. LEARD. It is mandated by law.

Ms. JARRATT. It is mandated by the Congress.

Mr. FORD. You match under the food stamp program against social security records?

Ms. JARRATT. Earnings information against unemployment information; any kind of information.

Mr. FORD. You might get earnings information in terms of the level of payment under a program under social security like Aid to Dependent Children, but you are not getting any information about what I made on my paycheck last year. That can't be given to you.

Specifically, what kind of information can you get from Social Security about earnings?

Ms. SCHMIDT. One of the systems is a Bendix system. My understanding is that that information contains earnings data that is reported to the Social Security Administration. Those data are approximately 6 months prior to the date that you can get into the system.

Other States—for example, New Jersey was noted—use State employment records. Those records are the ones that are used by the States to collect State income taxes, for example. So the food stamp offices, AFDC offices, are using those kinds of systems right now, whichever the State finds the most current in order to do wage matches on food stamp and on AFDC recipients.

That system can be expanded to other people because it is tied to to social security numbers.

Mr. FORD. You still haven't answered my question. The statement has been made that you presently verify income from the Social Security agency, and I want to know specifically what kind of income information is available to you from Social Security?

Ms. SCHMIDT. The tapes that contain the amounts of earnings that are reported to Social Security keep track of people's social security contributions.

Mr. FORD. You are sure that that is done?

Ms. SCHMIDT. I am fairly certain that is done.

Mr. KILDEE. Will the gentleman yield to me on that point?

Mr. FORD. Yes, I yield to the gentleman.

Mr. KILDEE. How current would that information be, if it is available?

Ms. SCHMIDT. Within 6 months to a year.

Mr. KILDEE. Six months? That won't do a thing for Flint, Mich. Let me tell you what happens there. We have the highest unemployment rate in the country in front. Many people have exhausted all their unemployment benefits. Under new criteria set for welfare eligibility, they don't qualify, because they have some disposable assets. You are asking what they were earning 6 months ago, when their children need to eat now.

Ms. SCHMIDT. Sir, the way the wage match system works is that the computer feeds in the social security number. The worker has the application which says, "I am currently earning $20 a month," or "I have no earnings and I am not eligible for other programs," in the example that you just gave.

The system would then go in and say, "The most information we have is 6 months ago," from this person when the person was unemployed and at that point receiving unemployment compensation.

Mr. KILDEE. But these people were working at Buick, then, 6 months ago. Now they are out of work.

Ms. SCHMIDT. If the computer printout comes back showing a very large discrepancy, which it might in this instance, the worker could call the family and say, "We have data that indicates that 6 months ago you were working at such-and-such a firm earning *x*. Can you tell us what has happened?"

Mr. KILDEE. I have to live in a real world. I go back to Flint, Mich., every weekend. You are talking about a world that doesn't exist. I really can't believe that you feel something like that will work.

Right now people are falling through the cracks of the present system in Flint, Mich. It is not working for them. The "new poor" I am talking about now. For the first time, with shame and embarrassment, many of them have approached the welfare office to apply for assistance. They are told, "You don't qualify because you have a car. You have some disposable assets." They go back home. They call me.

The system is not working now for such people. Now you are proposing to add another component to make it more difficult for them.

This Congress must enact laws for a real world.

The system you propose is not going to work. What we have in place now isn't working well in Flint, Mich. Now you are making it more complicated.

Mr. LEARD. Mr. Ford and Mr. Kildee, I would like to point out another aspect of this that we really haven't discussed.

We did an income verification pilot study, and this was mandated by the Omnibus Budget Reconciliation Act of 1981. From this

pilot study, we created a new application form which required the social security number of all adults in the household and income by source.

We found that program reapplicants who had used an older form the previous year and were now on the new form now were reporting an average of $500 greater annual income than the previous year. We believe there is a deterrent effect, also, in this.

Mr. FORD. Pardon me. Are you referring to the report in a blue cover which you sent to me on February 24 which encloses the report on the income verification pilot study conducted by the Food and Nutrition Service of the U.S. Department of Agriculture?

Mr. LEARD. Yes, sir. Income verification pilot study.

Mr. FORD. It says that it was submitted by Applied Management Sciences, Inc. That was the contractor who performed this study?

Mr. LEARD. That is correct, sir.

Mr. FORD. I am looking at the executive summary of the study at the bottom of the first page. It says:

> Phase 1 uses an experimental design which allows analysis of the effects within participating SFA's of the quality assurance procedures in changes in the application process. However, because the participating SFA's were not selected in a manner that assures that the sample is representative of all SFA's in the Nation, no strong inference can be made concerning the national impact of changes mandated by P.L. 97-35 or the two low-cost, quality assurance procedures.

Your own study has a disclaimer right at the face of it saying you can't make any national assumptions on the basis of the three characteristics that they looked at in this study because their sample was not, in their opinion, representative nationally, and yet you cite that here as evidence that this will work?

Mr. LEARD. I am saying that this is an additional facet to it. I believe that those school districts represented a wide range of characteristics, and while it is not a sample that you could statistically say was 100 percent accurate, there is a large weight of evidence based on this that there was a deterrent effect.

Mr. FORD. Even though the company that contracted with you was unwilling to make this as an unqualified statement? They qualified their own report, and you are willing to take it as gospel in spite of their warning to you that you ought to be careful because this is really not a verifiable finding?

Ms. JARRATT. We have been careful, Mr. Ford. That is why the verification component is not mandated this school year because we are going on with this same firm with a larger sample that is statistically valid.

I would like to point out to Mr. Kildee that the child is not denied the benefit while the verification is going on; that only a small percentage of the applications are to be verified, sir. It is sort of comparable, I think, to running the risk of having an IRS audit on your tax form. If you falsely report and if you are audited, you do get caught. But every child who comes through that system is not going to be verified. It will be a small sample in each school district and the child will not be denied while the verification is going on.

Mr. KILDEE. Let me just respond to that.

I want to reiterate, though, what I think is essesntial both in OMB and your Department, and I can appreciate I was that you have worked in this field.

I stood a weekend ago in a drugstore for a few hours in my neighborhood, the neighborhood I was born in 53 years ago and still live in. I saw various people coming in, some with Medicaid cards who could no longer get certain medications for their children. This was very sad because certain medications had been dropped from Medicare coverage. The children were miserable, because we have a flu epidemic in Flint right now.

When these same children go to school, the likelihood of getting adequate nutrition is going to be diminished for them. Then I found out about the new poor. People who come into the drugstore, for example, no longer have their Blue Cross, which they had for years. They don't have medicaid. This is the new poor. They are caught in between. Their kids are sick. They can't afford the medication now that medications to ease the discomfort of a child's illness are no longer covered.

I see those kids and I know also that they are now also being threatened with a less nutritional school lunch program. I see real people trying to deal with a very difficult situation, not just a study conducted by some people. I stand in the very neighborhood I was raised in and see that people are truly suffering under the present system, hurting. So when I see a change in the system such as you propose that may hurt them more, you are not going to have my support.

I submit that people like yourselves should get out and stand in such places, and I mean this seriously, where unemployed people in great difficulty are losing benefits they desperately need as a result of budget cuts. Stand out there and see it.

I can understand OMB people. I have dealt with OMB people for 18 years. But you should be advocates for the adequate funding of your own program with OMB. There are people in dire need of these programs. I see it every weekend and it is very, very sad. America can do better.

I am going to add this point, Mr. Chairman, just because it really bothered me when I saw the television last night.

When I see the administration proposing to cut $300-some million out of a program like child nutrition I worry then that maybe that amount of money will be sent to El Salvador, and that even frightens me more. In the Pentagon they have become advocates for their programs. They tell Dave Stockman they have to have more funding. You also have to become an advocate. Weinberger is doing it; you have to do it, too, or the money that now pays to feed school children will go to El Salvador as military aid.

Ms. JARRATT. I appreciate your remarks, Mr. Kildee.

Mr. FORD. If I can take a few more minutes, I would like to concentrate specifically on some of the testimony in your prepared statement.

On page 2 you say, "Had it not been for legislative changes over the last 2 years which reduced potential for fraud and waste and tightened program administration, the food assistance programs would have cost almost $21 billion this year."

Are you saying that the reduction in the cost of those programs in the 1982 and 1983 fiscal year budgets was accounted for by legislative tightening of the fraud and abuse?

Ms. JARRATT. A portion of that. Part of it was changing the eligibility criteria among the various programs.

Mr. FORD. Wait a minute. When you change eligibility criteria, does that help you get fraud or does it just make people who formerly were legally accessible to the program now inaccessible?

Ms. JARRATT. I wouldn't term that fraud, Mr. Ford. I would term it better targeting to needy people.

Mr. FORD. I didn't term it that. You have this statement here, "which reduced potential fraud and waste and tightened program administration" accounted for the fact that the program isn't costing $21 billion. It would cost $21 billion if we were still feeding the 3 million kids who didn't eat last year as a result of the cuts in the 2,777 schools that no longer have a program as a result of the cuts.

You don't count those as having been eliminated because we had 2,777 fraudulent schools. What do you mean when you say that the program has been reduced to its present level from a projected level of $21 billion because of the reduction of potential for fraud and waste? What specifically did we save last year?

Ms. JARRATT. For example, we asked for a gross income determination of eligibility for food stamps so that we would know for sure that people are at 130 percent of poverty or below, except for the elderly and disabled, and that has eliminated some people who had higher incomes from participating.

In food stamps, we have prorated benefits and given the household the benefit from the day it applied rather than for the whole month. That provision is not a fraud deterrent provision, but it certainly helps us save some money and it doesn't deny benefits to anyone who is entitled.

Mr. FORD. Let me try to be specific. The way you are describing this makes the unambiguous language of your statement sound ambiguous.

Are you saying the same thing you are saying in your statement: that the changes which reduce the potential for fraud and waste and tightening the program resulted in the savings from $21 billion, or aren't you?

Ms. JARRATT. That is not the total reason for savings.

Mr. FORD. All right, give me the additional reasons for savings.

Ms. JARRATT. Better targeting of the meal subsidies.

Mr. FORD. Better targeting meaning making ineligible people who were eligible before?

Ms. JARRATT. Who had higher incomes and who were eligible before; by streamlining the program structure as in the proration of benefits in the food stamp example I just gave you; proposing elimination or cutting back on some programs that we felt were of less priority, like the NET program, the food service equipment program.

These kinds of things have all contributed to the reduction in the $21 billion we referred to that we would have been spending.

Mr. FORD. Could you give me an idea of where we really saved the money? You mentioned three items here. Does somebody have

available to submit now, or for the record, a breakdown of the savings that were accomplished by these changes?

Ms. JARRATT. We will submit it dollar by dollar from the reconciliation activity for all programs in domestic assistance if you want the farm bill in the reconciliation activity.

Mr. FORD. But the Omnibus Reconciliation Act of 1981 cut the total dollars in the program and cut people out of the program. Now you are crediting our great efforts in that act to tighten up fraud and abuse with the savings we have made, and I don't believe that is where the savings came from at all. I think the savings came out of the mouths and bellies of little kids.

Mr. LEARD. Not at all, sir. Some of the savings came from toughening up the provisions of the fraud in the food stamp program for people and for retailers who were caught in the program. There are a number of these things. There are such things in tightening up the program as wage matching, the use of photo ID cards in larger urban areas, retrospective budgeting. There are a number of things in the food stamp program that have attacked fraud, waste, and abuse all together.

Mr. FORD. Let me take you back to your own report which you submitted to us. Under conclusions:

"While the new application form appears to have been at least partially successful in preventing income underreporting and preventing ineligible individuals from obtaining program benefits, two major issues have not been addressed fully. Findings to date do not distinguish between reductions in eligibility due to the prevention of fraud and abuse, and reductions due to the new application creating barriers to participation by eligible individuals, nor do the findings determine how much of the problem of applicant misreporting remains."

So your own report submitted to me a very short time ago indicates that you don't know what you are just telling us.

Mr. LEARD. That is not correct, sir.

Mr. FORD. That is your hunch, but your report puts the lie to what you just said.

Mr. LEARD. I think what I said was that this would be a deterrent to underreporting. We don't know the size of the underreporting.

Mr. FORD. But you don't know the difference. According to your own report, you cannot make the distinction that you have just drawn for this committee.

Mr. LEARD. What I have drawn is that a statistically significant sample was taken.

Mr. FORD. On what do you base that, other than this report? Are you now impeaching your own report?

Mr. LEARD. No, sir; I am not.

Mr. FORD. But I am citing the language of your report that disagrees with what you say, and you say the report is wrong.

Mr. LEARD. I am saying that we have reason to believe that based on this report, it was a deterrent to misreporting.

Mr. FORD. What reason do you have to believe that? This report specifically warns you that you can't draw that conclusion from what they found.

Mr. LEARD. This is Mr. Stokes, our Director of the Office of Analysis and Evaluation, who did the study.

Mr. STOKES. Sir, what we have said here is that in the study of 13 sites, we found a statistically significant increase in the reporting of income resulting been the changed form. Now, what we have said on the disclaimer is that you cannot take the results from these 13 sites and apply it to the Nation. This is phase 1 of the survey. There is a second part that is coming later that is going to be a larger representation.

But in this first segment, we cannot take these results and generalize nationally. We have a feeling, however, based on the 13 sites, which were nationwide but not nationally representative, that we are onto something that will have a very good result in deterring underreporting of income.

Ms. JARRATT. Mr. Ford, it was not just this study alone, but also the Inspector General's report that we referred to.

I spoke to the school food service director from Raleigh, N.C., back in January and she said that though verification was not mandated this year, she went ahead and did it anyway, and she is saving her district $50,000 a month based on detecting misreporting of income.

So I don't think it is just an inkling or could be construed as just an inkling of something that we think is going to happen.

Mr. FORD. Let's see if we can at least agree on this. I am not asserting that this report is a definitive finding of anything, but as a basis for the policy decisions which you have recommended as a part of this budget, you cite this report as the authority

Now your statistician is telling us that this is only a preliminary part of a study that hasn't yet been completed and, therefore, you have a hunch, on the basis of what you have found, that it will lead you to certain kinds of conclusions, but you haven't found anything yet to substantiate those conclusions.

Is that accurate?

Mr. LEARD. Mr. Ford, that is not. I said that in addition to what would be done, the study is separate from the verification issue. I said that there is a deterrent effect, we believe, also that is over and above this. I did not tie this study to what we are asking for in the fiscal year 1984 budget.

Mr. FORD. That is precisely what I just read to you. It says, "The findings to date do not distinguish between reductions in eligibility due to prevention of fraud and abuse and reductions due to the new application creating barriers to participation by eligible individuals."

There is a deterrent suggested here for eligible individuals to come into the program because of the new form, and they think it is significant enough to take note of the fact that you can't distinguish the people who were out of the program who shouldn't be out of the program from those who are out of the program because they had too much income.

Is that what that statement says?

Mr. BRALEY. Let me explain something about the form that is being used.

Mr. FORD. Wait a minute. Let the gentleman who handled the study answer.

Isn't that what this disclaimer says?

Mr. STOKES. What it says is that at this point we have a lot of information that is confounded and we don't have sufficient information from this interim study to say that there are not some—I believe you are probably reading from the same document that I have here.

Mr. FORD. Page IV, the first sentence at the top of the page.

Mr. STOKES. It just says that two things can be going on and that the study did not directly measure the difference between the two, but it doesn't say that it is a——

Mr. FORD. But they are kind of significant, aren't they? They are saying that it appears that some people are not participating in the program because the new form has provided a barrier, even though they are eligible. Isn't that what it says in line 3?

Mr. STOKES. I don't have that same sheet.

Mr. FORD. Let me read it to you again.

"Findings to date do not distinguish between reductions in eligibility due to the prevention of fraud and abuse and reductions due to the new application creating barriers to participation by eligible individuals."

So what they are saying is that they can't tell from their study whether the reduction in cost involved is from people who are eligible, but because of the barrier of the new application are not in the program, or the people who were ineligible, and that has been discovered through the new application. But they can't tell at this point the difference between those two things.

Now, if you can't tell something as diverse as that from a study, it is not very definitive, is it?

Mr. STOKES. You can lump those two reasons together and say that a reduction in applications can be caused by one or the other; and then you need to look at the other information that you have.

Mr. FORD. Well, if you accept that premise, then you could say that we can impede the flow of dollars in all the Federal programs by just increasing the redtape or, to use your own report's language, creating a barrier to participation by eligible individuals.

Your report points out that there has been a barrier created by the form that you are giving credit to, in this instance, for saving the money.

Mr. BRALEY. Mr. Chairman, it acknowledges that a barrier could exist.

Mr. FORD. It acknowledges that a barrier could exist. It also acknowledges that fraud and abuse could have been prevented. But it doesn't draw a conclusion as to which has happened because it says that the savings from each of these two factors are indistinguishable one from the other on the basis of this study.

Mr. BRALEY. Mr. Chairman, let me point something out that I think will shed some light on this issue.

On the form that is currently in use throughout the country in most of the school lunch programs, our only requirements are for the reporting of income, family size, social security number, and the signature of the applicant. That is a very, very minimal type of information required compared to any other means-tested program.

The forms studied in the report were some modifications on that, some expanded information, and so on. But the point is, we are not

overburdening people. All the contractor was doing in writing that report was acknowledging that they could not distinguish between those two factors.

I think if you look at the typical school lunch form in use around the country, you would find it not to be so onerous a burden that anybody who is legitimately entitled to benefits would be likely to be turned off by it.

Mr. FORD. By that same sort of reasoning, then, the amount of fraud and abuse that has been found is not significant enough to be concerned about either. Because, if the number of people who are eligible referred to here and locked out of the program because of the red tape is not significant, and that is indistinguishable in amount from the number who were participating in a fraudulent way, then that can't be significant either.

Mr. BRALEY. I don't quite follow you.

Mr. FORD. No, you are trying to slough off this business.

Mr. MILLER. Mr. Chairman, if I might, unfortunately I am going to have to leave this committee. I have been here and hour and a half now. I would like to ask a couple of questions of the witness.

Mr. FORD. Go ahead.

Mr. MILLER. Ms. Jarratt, this family day care, as I understand the previous chart, if someone would replace the chart, you are cutting out the money entirely for family day care; is that correct?

Ms. JARRATT. Yes, sir.

Mr. MILLER. Would you mind telling me, under your proposal, where the States will get the $30 million to feed the eligible children who are currently in family day care?

Ms. JARRATT. There is a grant there, Mr. Miller, of $535 million. If the State so chooses to operate a family day care program, it may do so. We simply propose to withdraw that from the funding base before making the grant level.

Mr. MILLER. So you are withdrawing the money even for the eligible children, what you believe to be the eligible children in family day care.

Ms. JARRATT. Yes.

Mr. MILLER. So in spite of the children's poverty, in spite of their need, you are withdrawing the Federal support.

How do you justify that?

Ms. JARRATT. Because of the administrative difficulties of running that program at the Federal level.

Mr. MILLER. You are making an assumption that the State can run the program better and that they will serve eligible children.

Ms. JARRATT. I think they would.

Mr. MILLER. Why wouldn't you give them the money to serve the eligible children?

Ms. JARRATT. I think if they choose to do that from the funding that is available in the grant that they can amply do that.

Mr. MILLER. Oh, they will? Then what about the other eligible people under that grant?

Ms. JARRATT. I am not saying that all three categorical programs have to be left intact. One State may not prefer to do that. They may prefer to put all the money in family day care.

Mr. MILLER. What about the eligible children in the summer feeding?

Ms. JARRATT. They can still fund summer feeding if they choose to with this grant. It is just that we are not making the total amount under the categorical structure available because we feel that the total programs are not fully targeted.

Mr. MILLER. What about the eligible children under the school breakfast program?

Ms. JARRATT. If the State chose to fully fund the breakfast program or had it mandated, they could get the funds from this grant.

The reason for proposing the reduction there was because we know now that the breakfast program does not have the nutritional impact that we once thought it did, except for the milk component. So it was a matter of setting priorities.

Mr. MILLER. What did your study say about participation in the breakfast program by those children—in breakfast, not breakfast program.

Ms. JARRATT. The breakfast program is well targeted to the low-income children.

Mr. MILLER. So you are reducing the funding for it, cutting out the funding for it; right?

Ms. JARRATT. Yes.

Mr. MILLER. It is well targeted to children below the poverty line, that according to your studies has dramatically increased participation by those students in breakfast, which tells me they had a better alternative at that school than they may have had at their home. You are cutting it out.

You have 75,000 children in family day care who are eligible. You are cutting out funding for them.

Ms. JARRATT. Yes. Family day care was the program that simply is not targeted, nor is it easily administered by the Federal Government.

Mr. MILLER. But by your testimony, 25 percent of the children in the program were eligible, and yet you are cutting out the funding. So even the best-run State program will not have the benefit of this resource.

Have any States come forward and told you that they can make up that money?

Ms. JARRATT. No, sir; they haven't.

Mr. MILLER. Have you talked to the Governors and asked them if they can make up the money to fund these 75,000 eligible children?

Ms. JARRATT. No, sir; I haven't.

Mr. MILLER. What is this, a wish?

Ms. JARRATT. I think it is a just proposal.

Mr. MILLER. Just? We are now cutting out money for eligible children.

Ms. JARRATT. There is funding there to cover the eligible children, I believe, Mr. Miller.

Mr. MILLER. There is not funding there to cover the eligible children. It cost $30 million last year to cover the eligible children, and the $30 million is cut as part of the $115 million.

See, you might have some grounds to stand on if you had cut $90 million, but you didn't cut $90 million. So the eligibles and ineligibles by this administration are to be treated the same. You don't like the fact that the program is not targeted, and you may be correct, but you have thrown the baby out with the bath water.

Ms. JARRATT. We think that the funding level there, Mr. Miller, represents a sound base to cover the needy people that were covered in the three categorical programs.

Mr. MILLER. What leads you to believe, after your 2 years experience, that the States are going to have the money to make it up?

Ms. JARRATT. They don't need it if they don't intend to cover the children that are nonneedy.

Mr. MILLER. They don't need the $30 million. That was the cost last year. They don't need it. Who told you they don't need it?

Ms. JARRATT. There is still a $535 million——

Mr. MILLER. And there is still a whole slew of eligible children to be covered. Now tell me: What State told you they didn't need the $30 million?

Ms. JARRATT. I didn't say that. What I am saying is that we believe with the——

Mr. MILLER. Why wouldn't you send them the money for the eligibles?

Ms. JARRATT. I think in that structure, if a State chose to fund family day care, they could with the grant. We are not saying that they have to fund all three or that they have to cover them up 185 percent of poverty, or whatever.

Mr. MILLER. That's right. They don't have to do all three. They don't have to serve the school breakfast program that is targeted, by your own admission, well targeted to low-income children. They don't have to serve the eligible family day care students, which by your own admission is 25 percent of the enrollees, and they don't have to operate the summer feeding program because apparently you believe that in a program located in an area of 185 percent of poverty, a lot of rich kids are walking through the door and picking up lunch.

If that is so, we ought to replace busing with summer feeding.

Now, what is the evidence that a lot of rich kids are walking through the door?

Ms. JARRATT. The evidence that children are participating on the basis of falsely stated income comes from an Office of Inspector General's report in 1980 that about 30 percent of the children in the school lunch program were participating on the basis of falsely stated income. That is the strongest piece of evidence.

In the summer program, we have a number of changes that were structured in the Congress last year to help reduce the vendor fraud that we knew was there, and so forth. We still feel that there is funding available if a site wants to provide the summer program with the $535 million.

What the funding does not provide for is for the more affluent child who also participates in a number of these programs that we have lumped together in the grant concept. We considered a number of categorical changes, Mr. Miller. For example, we considered the elimination of children over six from the child care program, but we just simply don't think that we should make that decision. We think that the locality or the State can better take this funding base and make those kinds of decisions themselves.

We are not saying that they shouldn't provide the program for the needy child in any of them, but we simply don't think that we should further refine and refine and refine here.

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Mr. MILLER. What you are telling me is, when you can't distinguish, and you can't distinguish in funding levels between eligibles and ineligibles, there may be a sign on the President's desk that "The Buck Stops Here" means just that; not the guts to make the decision, but the dollar stops here.

It is tragic that you cannot distinguish and you somehow believe that that $30 million for that eligible population is going to be made up in other savings and there is no indication that the States have any ability to make up this money. I think if you look at the reports of what the States have done, they have basically followed the Federal cuts because they are in no position to make other determinations.

The State of California, a fairly progressive State, was on the verge of issuing warrants. Now they are going to make this up, apparently, to you. I just don't think that that is credible.

Let's go to another program. Let's go to the WIC program. Explain to me your statements about what you expect in participation.

Mr. BRALEY. By current participation, you are talking about participation in the program as it is now?

Mr. MILLER. Yes. You asked me for no new funding; correct? You are asking for level funding.

Mr. BRALEY. That is correct.

The program about a year ago this past fall was supporting a participation of about 2 million people. It increased through fiscal year 1982, ended the year, at an all-time high of over 2.4 million people. The latest data we have still shows about 2.4 million WIC participants. Through 1983, we expect participation to drop off slightly because it was high at the beginning of the year. On average, 1983 participation in the WIC program should be slightly above 1982 participation levels.

Mr. MILLER. Why is that?

Mr. BRALEY. Because we have $1,060 million this year and we had about $950 million last year.

Mr. MILLER. I don't understand the participation figures.

Mr. BRALEY. The participation average for fiscal year 1983, based on the funding that is made available through appropriations, should support slightly higher participation this year than the average of fiscal year 1982.

The phenomenon was, it started low at the beginning of fiscal year 1982. It reached a peak right at the end of the fiscal year.

Mr. MILLER. Which is what number?

Mr. BRALEY. Which is slightly above 2.4 million participants, and that has been sustained through the fall. That can't be sustained through the entire fiscal year 1983 period.

Mr. MILLER. Why?

Mr. BRALEY. Because the funding level of $1,060 million won't sustain it.

Mr. MILLER. Oh, I see. So it is not a matter that the pregnancies are going to stop.

Mr. BRALEY. In terms of the priority system that exists in that program, the pregnant women and infants, which are the categories where the benefits of the WIC have been best demonstrated, received priority consideration in getting WIC program benefits.

In fact, a lot of the increase that occurred at the tail end of the last fiscal year was among some of the low-priority categories, not the pregnant women and infants.

Mr. MILLER. Is it your testimony that all the pregnant women who are eligible for this program are getting served?

Mr. BRALEY. No.

Mr. MILLER. Well, let's stick with that priority. How are they going to get served? The House Committee on Agriculture was told yesterday in Cleveland that there are 2,500 people on the waiting list in Cleveland.

Mr. BRALEY. Which categories of people are on the waiting list?

Mr. MILLER. I suspect it is a mix of pregnant women and infants and children. But I suspect it is a mix.

Mr. BRALEY. As you know, the program is a grant program. It has an appropriation level. That appropriation level over recent years has consistently increased and more people on average, year to year, have been served under the program.

Mr. MILLER. And we are still faced with waiting programs throughout the Nation, including pregnant women. Is that correct?

Mr. BRALEY. I don't know about throughout the Nation. They should be able to handle the pregnant women in most circumstances, given that they are such a high priority. Even in recent years over half of the program recipients are children ages 1 to 5 where the benefits of the program are much less well established.

Mr. MILLER. You are also aware that a good many programs throughout the Nation have cut back on the eligibility of those children, and the priorities.

Mr. BRALEY. I am aware that as a result of having finished the end of fiscal year 1982 with such a high caseload, they have had to make some adjustments in 1983 to get down to a level that they can support for the entire fiscal year.

Mr. MILLER. Can you give me a single State where 100 percent of the pregnant women who are eligible are served?

Mr. BRALEY. I would suspect Vermont would come very close to that.

Mr. MILLER. Vermont.

Mr. BRALEY. They happen to have, I think, the highest percentage of eligibles served in the country. It is in the 80-percent range but I wouldn't imagine there would be so many pregnant——

Mr. MILLER. There is one estimate that suggests that if your level of funding is left in place that some 23,000 women will be denied eligibility, pregnant women.

Mr. BRALEY. I am not familiar with that estimate. I would like to see it.

Mr. MILLER. We will exchange studies, since you have all of your studies and we have all of ours.

Well, I find it incredible. I guess apparently again, this administration is willing to turn a blind eye, in light of your testimony, that eligible people who the Congress has determined are eligible, has decided it wants eligible over the wishes of this administration for the past 2 years, against efforts to reduce this program, to block-fund this program substantially. The Congress has spoken, and in light of that, you are prepared to come here and ask for level funding and let the chips fall where they may so we can pick

and choose between infants at risk or pregnant women at risk or children at risk.

I think Mr. Kildee is right. You people have lost your right to advocate for these people, because that is not what you are doing. That is not what you are doing at all.

Ms. JARRATT. Mr. Miller, we never meant by our grant proposal in the prior budget submission to indicate a lack of commitment for this program.

Mr. MILLER. That is what it is, Ms. Jarratt. You put it in any terms, when you know the need that is out there and you know the consequences of one of these pregnancies when they go wrong, you know the tragedy to that family, and you know the cost to this Government, it is indifference.

Ms. JARRATT. A low-birth-weight baby or a defective baby certainly does cost us a lot in terms of long-term care and more than that in terms of personal stress. But we do believe that the priority category can be served with this funding base, and the demonstrated impact, as Mr. Braley has indicated, for the benefits of the program is with the pregnant mother and the low-birth-weight baby.

There are other programs that do help accommodate the needs of the child as it becomes older.

Mr. MILLER. How long would you be willing to stick with the low-birth-weight baby? Six months? A year? Two years?

Ms. JARRATT. If the eligibility for the infant at that category goes through age 1, I think the average participation for an infant is something short of 4 months, about 4 months. I think that is usually about the time that the infant is on the program in that category. But the eligibility for it is for a year.

Mr. MILLER. What are the corrective changes you are making to justify the level funding? What are you recommending?

Ms. JARRATT. We have asked the States to target the people who are on the program, the ones that they accept for eligibility, to be in that No. 1 risk priority, the pregnant mother or the at-risk infant, rather than the older child.

Our 1982 figures from the States indicate that they are doing a very good job of tailoring their participation to that category.

Mr. MILLER. And they still all have waiting lists, including pregnant women?

Ms. JARRATT. But they may not all be in that category.

Mr. MILLER. I think the WIC directors are among the more remarkable individuals in the administration of a program that we have had. They have tailored and they have cut, and some of them are serving priority 1's and 2's, a few are serving 3's only, some are serving others. But they still, even those programs where they have made the cuts, they have the waiting lists in priorities. Unbelievable.

I would also like to have for this committee the second volume of your study, the methodology portions.

Ms. JARRATT. You are talking about the child care study?

Mr. MILLER. The child care study. We only got one volume. We didn't see how they did the study.

Thank you.

Mr. FORD. In your written statement, you refer to a study, on page 7, and you responded to Mr. Miller's initial question by refer-

ring to that same study. We have asked about the study and have been told that it isn't completed yet. Is that accurate or not? We wouldn't want to believe that anybody in the Department of Agriculture had the study and didn't want to give it to us. They just told us it wasn't ready yet.

Ms. JARRATT. Which study are you referring to, the verification?

Mr. FORD. On page 7 you say, "Data from a recent study of the child care food program shows that funding for family day care homes is very poorly targeted." You referred to that several times in the exchange with Mr. Miller with respect to the family day care program.

We have asked for that report and been told by your people that it wasn't completed yet.

Ms. JARRATT. Mr Ford, if you are talking about the child care study, we gave that study to the committee this week.

Mr. FORD. Pardon?

Ms. JARRATT. We have delivered the child care study to the committee this week, if that is the one you are referring to.

Mr. FORD. I am not referring to any. I am asking you which one you are referring to in your statement.

Ms. JARRATT. If you are talking about page 7, that is where we are referring to family day care and child care, where the information was obtained that family day care was not well targeted to the neediest children in the population.

That study was delivered to the committee this week.

Mr. FORD. I am told that it was delivered, in fact, this morning, and that only one copy was given to this subcommittee. I haven't seen it yet, unfortunately. I guess this morning is this week, so you are accurate.

Mr. Williams has some questions, but before he does that, I have a request from Mr. Goodling and Mrs. Roukema, who wrote to John Block back in December, on December 15, and received an answer in January in which he responded to their question about permitting the use of high-sugar cereals and chocolate milk in the WIC program by saying:

> The Department does not intend to take any immediate action to alter the content of the WIC food package as set forth in the program regulations. As you may know, final regulations covering the WIC food package are to be implemented by January 1, 1983.
>
> As a part of our ongoing responsibilities, the Department consistently reviews the appropriateness of the WIC food program.

Mrs. Roukema has asked me on her behalf and Mr. Goodling's behalf to ask you, Ms. Jarratt, whether there has been any change in the status of this issue?

Ms. JARRATT. No, sir; there hasn't.

Mr. FORD. Thank you. Without objection, the communications referred to will be inserted at this point in the record.

[The letters referred to follow:]

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C. 20250

MAR 3 1983

Honorable Marge Roukema
House of Representatives
Washington, D. C. 20515

Dear Congresswoman Roukema:

Thank you for your recent letter expressing your concern regarding the integrity of the Special Supplemental Food Program for Women, Infants and Children (WIC). The issue you raise is in regard to language in the conference report accompanying the Department of Agriculture's appropriation for Fiscal Year 1983. Specifically, that language concerns the way in which the Department reviews the composition of the WIC food package.

The Department does not intend to take any immediate action to alter the content of the WIC food packages as set forth in program regulations. As you may know, final regulations covering the WIC food package are to be implemented by January 1, 1983. As a part of our ongoing responsibilities, the Department consistently reviews the appropriateness of the WIC food package based on new nutritional evidence, economic factors, the needs of program administrators and the wishes of the Congress. If and when this ongoing review leads the Department to conclude that changes in the WIC food package are appropriate, we will seek the broadest possible input from all relevant constituencies, including the scientific community and the Congress. The comments of all concerned will be considered prior to making any final changes in the regulations governing the food package.

We appreciate the opportunity to respond to you regarding this matter. If we can be of any other assistance, please contact us.

Sincerely,

MARGE ROUKEMA
7th District, New Jersey

COMMITTEE
BANKING, FINANCE AND URBAN AFFAIRS

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HOUSING AND COMMUNITY DEVELOPMENT
ECONOMIC STABILIZATION
GENERAL OVERSIGHT AND RENEGOTIATION

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Congress of the United States
House of Representatives
Washington, D.C. 20515

December 15, 1982

The Honorable John R. Block
Secretary of Agriculture
Washington, D.C. 20250

Dear Mr. Secretary:

We write to express our concerns regarding the integrity of the Special Supplemental Food Program for Women, Infants, and Children (WIC) and potential regulation changes which would undermine the goals of the program.

Our concern is prompted by language in the statement of the managers accompanying the conference report on H.R. 7072, the FY 1983 Department of Agriculture appropriations, which could be interpreted to allow the use of high-sugar cereals and chocolate milk in the WIC program. The statement, which is not reflected in the actual text of the bill (and, therefore, will not be stated in the law), provides that the Department's decisions regarding national standards for the composition of the (WIC) food package should be based upon "comprehensive scientific evidence" considering the food item "as a whole", without eliminating any food "based on a single component thereof."

Although the House did pass H.R. 7072 to provide needed funding for your Department, we questioned the need or the justification for this particular statement. It must be noted that, in preparing this language, there was no consultation with the authorizing committees of either House which are responsible for the WIC program.

The purpose of the WIC program, as stated in 42 U.S.C. 1786, is to "serve as an adjunct to good health care, during critical times of growth and development, to prevent the occurrence of health problems and improve the health status of these persons." In addition to ensuring that developing individuals receive proper nutrition while young, the program is also clearly intended to foster good nutrition habits to serve them in their childhood and adulthood.

We know of no nutritional justification for allowing high-sugar foods and chocolate milk for pregnant and lactating women, infants, and small children. Existing professional evidence is quite to the

contrary. The adverse health and dental effects and habit-forming nature of such foods are well-documented and, with the nutritional adequacy of the food currently included in the program, there is no need for the addition of these foods.

The political ramifications must also be considered. As the Department has learned from past experience, any suggestion of tampering with the nutritional value of the child nutrition programs faces strong public opposition and only serves to undermine the credibility of your Department.

Therefore, in consideration of the statutory language of the WIC program and the stated concern of the conference report language for maintaining or enhancing "the nutritional integrity of the foods available under the WIC program", we ask that you state the course of action planned (including hearings scheduled, scientific evidence to be reviewed, and professional consultations intended) concerning existing regulations and what modifications, if any, are contemplated as a result of the language contained in the conference report.

We look forward to your reply.

Sincerely,

Bill Goodling

Marge Roukema, M.C.

William F. Goodling, M.C.
Ranking Minority Member
Subcommittee on Elementary,
Secondary, and Vocational Education

cc: Mary C. Jarratt
Wilmer Mizell

Mr. FORD. Mr. Williams?

Mr. WILLIAMS. Thank you, Mr. Chairman.

Let me see if I understand what is being recommended here.

Is the administration recommending $535 million for the coming fiscal year, and, within that, block granting child day care, summer food, and school breakfast nutrition programs and eliminating the family day care program?

Ms. JARRATT. The block grant proposal and the figure that you cite are to cover those three programs, summer, breakfast and child care, but they do reflect the evidence that we have recently obtained from the child care study that Mr. Ford just referred to, and others, about targeting of benefits, whatever, which we believe helps to justify the budgetary decision that we have made for funding the grant at $535 million.

We did this in lieu of making categorical changes at the Federal level that would have targeted these programs more directly to the neediest children.

Mr. WILLIAMS. I understand that justification, but I am right that you are block granting those programs, eliminating family day care, and asking for $535 million?

Ms. JARRATT. That is right, but if a State chose, sir, it could, if it really liked the family day care program, there is nothing to prohibit it from having it.

Mr. WILLIAMS. When our Budget Committee received a briefing, our first briefing, from the administration it was indicated to us at that time that the funding for these child nutrition programs was going to be decreased by 15 percent, and there was some objection to the 15 percent. But now you are telling me that it isn't 15 percent; it is almost 30 percent.

It is 15 percent when you have the family day care program in the base; it is 28 percent when you take the family day care program out of the base, which you have done.

Mr. LEARD. It is 15 percent after you take the family day care out; that is correct.

Mr. WILLIAMS. Well, an almost 30-percent cut in child nutrition programs, and I think I am looking at it realistically, if you eliminate one program and just don't count it in the base any longer, that is a sleight of hand that brings you to 15 percent, but the actual reduction from last year is almost 30 percent, 28 percent.

That is pretty heavy in a program that works this well, and I think you will agree it is very important to young people in this country.

When the President was campaigning, Americans heard a great deal about fraud, waste and abuse. I think millions of Americans supported the President based on the fact that he was going to eliminate fraud, waste and abuse in the Federal Government. I am just willing to stake everything that folks thought the President had in mind some tightening of program administration and a sweeping out with a new broom that would bring more efficiency to the bureaucracy here in Washington, D.C., but we are finding out that the people committing the fraud are not the bureaucrats and big Government.

The President, or you, or someone in this administration, thinks that the people who are committing the fraud are the parents of

these poor children and that the abuse is coming from the cheaters and that the waste is their fault, the citizens of this country who voted for this President who was going to get rid of fraud, waste and abuse. They didn't realize that he was pointing at them and that they were the frauds and that they were responsible for the waste and the abuse.

Now, it seems to me that that is what you are telling us today: that if we are going to get rid of the fraud, waste, and abuse, we are going to have to go after these parents, these so-called cheaters, of these poor children who really are responsible for the fraud, waste, and abuse in the nutrition program.

I expect that is not what Americans had in mind when they agreed with Ronald Reagan that we should attack fraud, waste, and abuse in the Federal Government.

Ms. JARRATT. Mr. Williams, I expect that there are still a good many people out there who feel that they are obligated to help people who can't help themselves, but they do expect us to help give them the assurance, that the benefit that they are so generously helping to pay for is indeed targeted to someone who indeed cannot help himself.

That is simply the provision that the verification is directed to. It is a minor burden, we think. It is a few simple things that we are asking the parents to report. There is only a small number of those applications that will be verified; not every child.

It works like the deterrent effect does for the IRS audit. A very small number of tax forms are audited, but it does have a deterrent effect, we believe. When we know from the IG's report that there was substantial participation on the basis of falsely reported income, we feel that we should do something about it. The bulk of the pure fraud that occurs in domestic feeding, of course, is in food stamps, but that is largely, too, because there are a lot more dollars expended there.

The child feeding programs, we feel, from an administrative perspective are very well run, but we do feel that it is our responsibility to help assure that people are participating at the right level, and I think that the taxpayer is entitled to that, too.

Mr. WILLIAMS. Mr. Chairman, one thing, it seems to me, we all agree with, and that is that the administration's original contention that child nutrition programs were being cut 15 pecent is wrong. The administration is now agreeing that they are being cut almost twice the amount that the Budget Committee was originally assured, and that was a 15-percent total. This averages almost a 30-percent cut.

Thank you, Mr. Chairman.

Mr. FORD. I am informed that a copy of the study, incomplete, was delivered to the committee this morning. Does anyone have a complete copy of that study with them?

Ms. JARRATT. Are you missing just the technical appendix?

Mr. FORD. I don't know which part is not here. We still haven't seen it, but a staff member who allegedly saw it said that it was handed to her and explained that it was incomplete.

Ms. JARRATT. The technical appendix is available if you want it. We simply didn't provide it, but there is no problem. We can get it up to you today.

Mr. FORD. I wonder if you can send copies for all of the subcommittee up here. I think we are going to be fascinated with these reports.

Ms. JARRATT. We can do that.

Mr. FORD. I would like to get back to this report here again, the blue-covered report of February under the title of "Effects of the New Application Form and Experimental Quality Assurance Procedures on Program Eligibility Participation in Cost to the Federal Government." At the bottom of page 9, under the subtitle of "Conceptual Model," it says as follows:

> Although an effective quality assurance procedure will reduce total program participation, a reduction in program participation associated with a quality assurance procedure does not necessarily prove that the procedure has deterred ineligible applicants from applying or misreporting their eligibility status.
>
> The procedure may, instead, act as a barrier to eligible individuals, a barrier that prevents them from applying or motivates them to underreport their true eligibility status when applying. Both the barrier and deterrent effects of quality assurance procedure reduce overall program participation; that is, reduction in program participation associated with a quality assurance procedure is the sum of barrier and deterrent effects.
>
> Because of this, the inferences possible about effectiveness of the phase 1 experimental quality assurance procedures on the basis of aggregate program participation data are assymetrical; that is, no reduction in program participation is strong evidence of treatment ineffectiveness, whereas, a reduction in program participation is not direct evidence of significant deterrent effect.

This is language written presumably by your people which says that they don't believe on the basis of the study that you can tell, as we talked about a few moments ago, very much of anything, or draw very much of anything in a grand conclusion. They warn you again here at this point in the report about drawing conclusions from it.

It is very clear to me that when asked to do so, you are willing to accept the hunches that this report triggers within you with respect to your own preconceived notions of this program and its participants. And, disregard any nod at the same time you would toward the verifiable, scientific basis upon which such conclusions would have been reached by these people.

I have to commend them for their honesty and their frankness in writing these disclaimers into this report. What it says to me is, don't rely on this at this point to make any kind of decisions with regard to national policy. But I understand you at this witness table to be saying to me that you are perfectly willing to accept it—notwithstanding the red flags that are all over it—as verification for the policies that you are advocating.

To what degree do you accept this report as verification for the proposals that you have given us here this morning?

Mr. STOKES. We accept the report at its face value, but I think you ought to remember that when we are talking about presenting barriers here to people in the program, there may be some people who simply don't want to fill out forms, and when you give them a form, or a more difficult form than the one they previously had, although we don't feel——

Mr. FORD. There are some people who don't want their kids stamped with a stamp on their hands that says he is a poor kid, too, and they don't participate for that reason.

Ms. JARRATT. We don't want that, either.

Mr. FORD. Ever since the beginning of the free lunch, we have had that.

Mr. STOKES. We make a great effort not to identify these children. Asking to have these forms filled out, the purpose of that, of course, is really that it is a deterrence in that if you ask somebody to fill out a form, obviously they would probably think that you are going to check on something. If there is something they don't want you to check on, they are going to be a little bit more honest with you.

I think there are some other parts of this that Mr. Braley might cover.

Mr. BRALEY. I think it is important that policy decisions weren't made based strictly on this preliminary report from the study. As we have pointed out several times, there have been nationally representative audits that have documented this problem to be a significant one. There is significant income underreporting in the school lunch program, and probably in the rest of the child nutrition programs as well.

We need to find systems to effectively combat that, because no one wants to pay for benefits that are going to children who aren't eligible.

Mr. FORD. But you can't tell us how much money we could save. You don't know how statistically important that is as a factor in cost. You ascribe to improved program administration a 72-percent increase in efficiency, which you use an offset for a 72-percent cut in funds.

Mr. BRALEY. The chart that we are coming back to says that 6 percent of the total money we hope to save with the fiscal year 1984 budget proposals stems from this particular new proposal that income verification be done at welfare offices. The 72 percent relates to the proportion of the savings that we will generate through the creation of a general nutrition assistance grant.

Mr. FORD. Has there ever been a time in the history of the child nutrition programs where we have linked any of the programs to welfare verification or welfare eligibility?

Mr. BRALEY. The linkage was envisioned in the 1981 Reconciliation Act, I believe, where the income limits for free meals and food stamps were set to be comparable so the process of cross-checking——

Mr. FORD. The income limits don't have anything to do with welfare eligibility. What is the relation between the poverty index that you use and eligibility for welfare in the several of the 50 States?

Mr. BRALEY. I am not talking about either general assistance or AFDC.

Mr. FORD. Where in that Omnibus Reconciliation Act did the Congress tell you to link any one of these programs with welfare eligibility?

Mr. BRALEY. In the School Lunch Act there was an amendment that indicated that income verification should be proposed by the Secretary of Agriculture and followed through on, social security numbers must be collected; a whole series of initiatives that point fairly clearly in the direction of linking income verification in school lunch to other programs.

We would like to complete that linkage because we think it is foolish to put people through two separate verification systems, one at school and one in a welfare office.

Mr. FORD. Don't you feel at all nervous about putting this administration in the position of being the first administration ever to establish a direct linkage between welfare eligibility and participation in the school lunch program? Presumably as a conservative in a conservative administration, aren't you a bit nervous moving in this direction when you recognize that one of the clarion calls of this administration from the beginning is that welfare doesn't work, that welfare is unnecessary, that welfare is fraught with fraud and abuse, and that now you are going to advocate that they can do a better job by linking this program, that has been in operation since 1946 without any such linkage to welfare?

There are some people who cringe just at the sound of that word "welfare" in this place. Doesn't that make you a bit nervous as a policy matter to be looking for that linkage instead of some other alternative?

Mr. BRALEY. All I am saying, I think, is that there are things that are going on there, people's incomes are being verified. It seems silly to do that twice and not to take advantage of the information that has already been collected in the welfare system.

There are fairly high error rates in welfare programs in this country because of income underreporting and other things. But the OIG data suggests that the level of underreporting in the school lunch program where, up until a year or so there has been no verification and no possibility even for a cross-checking of information, that the error rates in reporting of income are even higher.

Mr. FORD. If you are that firm in your assumption that the welfare eligibility rules are so badly administered at the present time, how do we improve the prospect of catching fraud and abuse by adopting as our yardstick the administrative makeup of that program?

Is there anybody in this town that advocates that welfare is well run anyplace in this country?

Mr. BRALEY. All I am saying is that they have been given the job of doing income verification and checking to make sure income information is accurate. They have many more facilities.

Mr. FORD. Who has been given the job?

Mr. BRALEY. The Food Stamp Act requires computerized wage matching now in all locations.

Mr. FORD. What does that have to do with welfare? You have to be eligible for welfare to get food stamps? Is there any correlation directly established between food stamp eligibility and welfare eligibility?

Ms. JARRATT. Our budget proposal would categorically make AFDC people eligible for food stamps. If they were eligible for one, we would categorically make them eligible for the other simply for the purpose, Mr. Ford, of not putting them through so many eligibility systems because the income criteria is pretty much the same.

We are not sending—I want to repeat—we are not sending these applicants for lunch down to the welfare office. Only a small sample of the social security numbers will be sent there because

the free lunch criteria and the food stamp criteria are the same. It is one for simplification rather than one for complexity.

Mr. FORD. I think that I clearly understand what you are sending to the welfare office. What I don't understand is the rationale of taking a program that has never been associated with welfare, whatever that generic term really means, and linking it now directly with verification through what you refer to as a welfare agency.

Doesn't that make you at all nervous?

Ms. JARRATT. I would not want to make the structure of the child nutrition program, the lunch program, a welfare program. I do not see anything wrong with simply verifying the income of the household through the welfare office. In fact, I think that is facilitated for the lunch program because it means that the people who run the lunch program or the educators in the school do not have to do that service. Indeed, they are going to be able to refer this to the welfare office and to have reimbursement to pay that welfare office to do it for them. It does not affect the structure of the lunch program.

Mr. FORD. Tell me how this would work in any jurisdiction that you might be familiar with. What State are you from?

Ms. JARRATT. Virginia.

Mr. FORD. All right. In Virginia, just how does the school go about doing this?

Ms. JARRATT. The school would take a small sample of the applicants for school lunch and take the social security number and refer that social security number to the food stamp office in the same locality. A determination would be made at that food stamp office if, indeed, the same social security numbers were eligible for food stamps.

The school would simply be informed yes, indeed, *x* percent of the referrals you have sent down here are on food stamps and so no further verification would be needed. Of the others, an additional followup might be necessary.

Mr. FORD. Who is the food stamp office? Is that a State agency, a local agency, a private contractor? Who is that?

Ms. JARRATT. It varies by State, but in Virginia there is a State apparatus and there are food stamp offices in every county in this country.

Mr. FORD. But who operates the food stamp office? Who pays to operate that office?

Ms. JARRATT. The State does.

Mr. FORD. So they are State employees?

Ms. JARRATT. Yes. And for the food stamp operation alone, the Federal Government pays 50 percent of administrative expenses. But the employees are State employees, or local. I believe in California it is a county structure.

Mr. FORD. So the local school district takes a predesignated percentage of their total application forms over to this office and says, "Please run these through your records and verify it for us."

What does that office have if the person has never applied for food stamps? What will the answer be?

Ms. JARRATT. It would simply be, if the household is not on food stamps, they have no record in that office of that number.

Mr. FORD. What does that tell the school people?

Ms. JARRATT. The welfare office, though, could take the social security number and, for the school's benefit, run a wage match on the computer facility that they have to get the earnings information for the school. They would do that and they would be reimbursed for doing that for the school.

Mr. FORD. They can presumably get a wage match that will show what the social security records have accumulated as paid into that account on behalf of that person last year. But, I want to point out that the eligibility for participation in the school lunch program is current family income status.

How can you in any way verify current family income status with that procedure you have described to me?

Ms. JARRATT. For the families that are on food stamps, we do require monthly reporting of income, so that you are not looking at, in the case of a food stamp household, something that happened 6 months ago. You are looking at something——

Mr. FORD. It just strikes me that you have the assumption that everybody who might be eligible for food stamps is participating in that program. Because it is characterized as a welfare program, many of my constituents refuse to accept that kind of assistance. I have the same kind of an area that Mr. Kildee has, with 4 consecutive years of 20 percent-plus unemployment.

My office is located in a post office building where food stamps are handled at the counter by the postal employees, and when I walk through that hallway I always do it as rapidly as possible for fear I will run into one of my friends. It would humiliate them to have me see them standing in that line. Many of them just won't do that.

They are trying to stay disentangled from welfare, "Because there ain't nobody in our family ever had welfare," they will tell me. And because their child shows up at school and wants to participate in the school program, you are going to put them into the process.

Ms. JARRATT. No, not the process you just envisioned. No one, no parent, will be standing in that line.

Mr. FORD. Only his social security number.

Ms. JARRATT. Only his social security number. And only if he happens to be one of the few selected from the school for the audit.

Mr. FORD. All right. Let's say he is one of these people who has current income eligibility for food stamps, but for whatever his or her reasons, has decided not to apply for them. So the verification the school sends over is going to come back simply saying that this person isn't on food stamps?

Ms. JARRATT. They would do a wage match, sir.

Mr. FORD. You would then have the food stamp office do a wage match on someone who is not one of their cases?

Ms. JARRATT. Yes. They have the capability of doing that.

Mr. FORD. They have the capability of doing that, perhaps, but where do they get the authority to do that? When I apply for food stamps, I presumably consent to have my social security number used to verify my wages. If I choose not to apply for food stamps, what right do you have to send it to them?

Ms. JARRATT. The school lunch form says the same thing.

Mr. FORD. The school lunch form says the same thing?

Ms. JARRATT. Yes, sir.

Mr. FORD. But the school authorities have not been authorized by that person to take that and put it in motion someplace else. What authority does the school have to take my social security number and give it to anybody?

Ms. JARRATT. Excuse me, sir?

Mr. FORD. What authority does a local school official have to take my social security number and give it to anybody for any purpose that I haven't consented to?

Ms. JARRATT. That would be part of the proposal. We would have to have the authority, with this legislative proposal, to refer the number to the welfare office, unless you wanted to force the school to do this procedure itself.

Mr. FORD. So what you are really asking for is legislative authority to do this. You can't do it under the present system?

Ms. JARRATT. We do need some changes in order to refer the school lunch application to the welfare office.

Mr. FORD. Has that legislation been prepared?

Ms. JARRATT. It will be with our 1984 submission.

Mr. FORD. What kind of a bill do you intend to introduce? Will it be an amendment to the food stamp law or will it be an amendment to the child nutrition law?

Ms. JARRATT. It has to be amendments to both the food stamp legislation and the child nutrition legislation.

Mr. FORD. Has it been prepared yet?

Ms. JARRATT. It is in clearance in the Department.

Mr. FORD. I will look forward to seeing that, because it sounds to me as if what you are spelling out here is that you are asking Congress, not on the basis of what we did in reconciliation before, but as a new policy to now adopt, as a matter of policy in a statute, this linkage.

Ms. JARRATT. The legislation already requires us to come up with a verification system. If the Congress so chose——

Mr. FORD. The legislation doesn't say anything about welfare programs.

Ms. JARRATT. Well, it could force the schools to set up a duplicate structure. That is an alternative but we don't recommend it and we don't think the schools want it, either.

Mr. FORD. You don't think that a school or a local school official can be trusted to ask the citizens of that local community to truthfully answer the questions on the form that is sent home with the child? That is not sufficient?

Ms. JARRATT. We think the school has been sending those forms home. It is just that the reports haven't been coming back after they were filled out in every case. There is no lack of trust on the part of the Department or the administration of the school officials.

Mr. FORD. Why, then, the preoccupation with this airtight verification?

Ms. JARRATT. Because we believe it is essential to get at that 30 percent misstated income reflected in the 1980 IG report.

Mr. FORD. Is there any reason why a simple statement by the parent saying, "I hereby affirm that the answers to the above ques-

tions are true" isn't sufficient to meet the congressional mandate for verification?

Ms. JARRATT. There is reason, because it is on there and it has not worked. Even with that statement signed, we are still getting misstatements.

Mr. FORD. It has not worked.

Ms. JARRATT. No.

Mr. FORD. What percentage of the people we are feeding are slipping through because it does not work?

Ms. JARRATT. Based on the 1980 audit, essentially 30 percent of the participation was false participation on the basis of misstated income.

Mr. FORD. Thirty percent of the participation in the period of when?

Ms. JARRATT. Excuse me?

Mr. FORD. When did this take place?

Mr. BRALEY. That report was based on audit work that was conducted throughout the country in May 1980. There have been some changes since then brought about by the Reconciliation Act which we feel and hope have reduced that percentage to some extent, but there is undoubtedly still——

Mr. FORD. That was an audit report that was prepared by the inspector general of the Department of Agriculture? Could we have a copy of that, too?

Ms. JARRATT. Yes, sir.

Mr. FORD. Do you have any idea how big a sample they took?

Mr. BRALEY. It was approximately 200 schools selected at random throughout the United States, and it was designed to be statistically reliable.

Mr. FORD. I am sure the committee would like to have you share that with us.

Mr. BRALEY. I should point out that the GAO did examine the methodology in that study at the request of this committee and was generally supportive of the audit methodology used.

Mr. FORD. What kind of income ineligibility are we talking about? People who flatly lied about being employed, or people who misread the 185 percent, couldn't calculate 185 percent of poverty, or what was it?

Ms. JARRATT. It is hard to characterize those kinds of misstatements. Sometimes it is not a complete recollection of the income. Sometimes it is a little bit of understatement of what it actually was in order to qualify.

That was one of the reasons that the Congress took off the form that we send home the income cutoff for the various levels of participation. As you know, the eligiblity criteria is printed in the local paper before the beginning of the school year, but at the Congress direction, we have taken off the eligibility cutoff from the form that goes home. All of this was in an effort to help reduce the potential for misstatement of income.

I believe the average misstatement of income per family amounted to about $500.

Mr. FORD. It is extraordinary that we are going to spend this money and this time to fool around with that kind of a serious breach of honesty on the part of parents. I think that 1984 is get-

ting here a little early, as predicted by Mr. Orwell, when the Government has time to concern itself with that kind of detail to make sure that hungry kids don't sneak through the line and get a meal they aren't entitled to.

There is something wrong with us when we have so many other pressing problems in your Department and in your programs to deal with, that we have time to be devising this kind of Rube Goldberg scheme to make somebody feel that we are putting people through more hoops and, therefore, the chance that they will slip is increased and they will be discouraged from trying.

Ms. JARRATT. I believe it is important for the integrity of the program and to preserve it for the children who need it, Mr. Ford, for us to do the best job that we possibly can.

Mr. FORD. Do you think there is any child who eats a type A lunch in the school that doesn't need it?

Ms. JARRATT. I think the children who want to avail themselves of the lunch should have it. I do believe that those who are capable of paying for it should pay for it.

Mr. FORD. You sound like an administration of the dim, long past that said about the milk program, "We ought to cut it out," because they found out that kids who could afford to buy their own milk were getting reduced-price milk in school and, therefore, it was being wasted.

I don't think that you can waste milk by putting it inside of a child, and I don't think you can waste a type A lunch by putting it inside a child who is hungry enough to eat it.

Ms. JARRATT. I don't either, Mr. Ford.

Mr. FORD. And I don't think that is the kind of waste, as Mr. Williams said, that the American public expects us to spend their time and money trying to root out.

Ms. JARRATT. This does not deny any food to a legitimately entitled child.

Mr. FORD. Not as long as they are willing to put everything on the line and become the equivalent of a welfare recipient, their children won't be denied anything.

Ms. JARRATT. They wouldn't be a welfare recipient, and I think the public is entitled to some guarantee that we are trying to deliver the benefit where it is targeted.

Mr. FORD. Well, I want to tell you that personally I resent very deeply your conviction that what we are dealing with in these child feeding programs is some form of welfare.

Ms. JARRATT. I never said that. That is your characterization.

Mr. FORD. That is the way you have characterized it all the way along.

Ms. JARRATT. I have not.

Mr. FORD. And also the food stamp program you described as a welfare program.

Ms. JARRATT. I do consider the food stamp program a welfare program. Many welfare programs, as you know, have food components. The food stamp program is the largest one, but it is still an income transfer program.

Mr. FORD. Is it the means test that leads you to that linkage, the idea that there is a means test?

Ms. JARRATT. Not entirely. The point is, sir, that the food stamp program does not provide the nutritional guarantees that, for example, the lunch program does. We do not prescribe what people buy with food stamps. We simply give them the money to help complement their own resources, if they have them, to get the food necessary to feed themselves.

Once the purchase requirement was eliminated and the absolute value that was needed to secure that dietary allotment for that household for a given size for a month was removed in 1977, the nutritional implications of the program were vastly reduced and the income transfer implications were vastly increased.

Mr. FORD. You know that we are reading in the paper about people buying automobiles with food stamps and things of that kind.

Ms. JARRATT. Yes, I have seen some of those articles.

Mr. FORD. And you are going to ask us to legislate them into the of school lunch program for the first time.

Ms. JARRATT. The people you are reading about who are doing that kind of abuse are a very small percentage of the food stamp applications. Unfortunately, they are the ones that get the publicity. There is a vast misexpenditure of funds in food stamps, and a lot of that occurs in the certification process or in the mail tolerance area, or whatever. It is not because people are all out buying cars with food stamps.

Mr. FORD. Well, everybody in the country has heard the story about the guy who bought the bottle of vodka and the oranges and got his change in cash with the food stamps. You know about that one. So the public perception out there of the integrity of that food stamp program has not at all been enhanced in the last 2 years.

Ms. JARRATT. I think it has, sir. We are feeding a higher percentage of people that we know are from the safety net category or below.

Mr. FORD. That has to follow because you are feeding fewer people with the program than you were 2 years ago.

Ms. JARRATT. That is not true. When this administration came into place, we were feeding 19 million people on food stamps. Today the participation is about 23 million.

Mr. FORD. And the level of payment is the same?

Ms. JARRATT. The level of funding will be about $12 billion this year, the highest in the history of the program.

Mr. FORD. Mr. Packard?

Mr. PACKARD. Thank you, Mr. Chairman.

Has the school breakfast program been targeted strictly or primarily toward the needy?

Ms. JARRATT. Yes, sir; it is well targeted to the needy child.

Mr. PACKARD. Is the summer food service program targeted toward those who are needy as well as toward those who are there for remedial work rather than enhancement work?

Ms. JARRATT. Yes. The summer program is less well targeted toward the needy.

Mr. PACKARD. It is much more difficult to do that, I am certain.

Ms. JARRATT. That is right, because it is based on a site rather than on an individual child. The program can operate in a site

with a given definition of poverty rather than on the basis of the individual child in the program.

Mr. PACKARD. Contrary to the thoughts of some, I feel it is important that we don't make the system a welfare system; it is to take care of truly needy people and we must not try to camouflage the process of giving to everyone in the hope that it would then not be a welfare-type system because I think that the funds are designed and were given for the purpose of taking care of needy children.

Mr. FORD. Will the gentleman yield at that point?

Mr. PACKARD. Yes, sir.

Mr. FORD. I don't want to correct your historical perspective of the program, but the first time that there was ever a low-income factor injected in the program was as recent as 1962 and it was at that time that the free and reduced character was introduced in the program.

From its inception in 1946, the program never had an income characteristic to it and it was not, at its inception, intended as a program for "the most needy" in any given community; it was intended to try to make up for what the epidemiologists had discovered in examining millions of predraft physicals in parts of the country where they found that we had a whole generation of teenagers who couldn't qualify for the Army.

That woke up everybody to help find a way to intercept these people, and one way to do it is to feed them in school. Out of that grew the school lunch program.

In 1962, my colleague from Michigan, Congressman James O'Hara, introduced and had passed the amendment to the bill that provided for the free and reduced-price aspect of it. It was from its beginning a subsidy to school districts to use their own resources and their State resources to provide a hot lunch program, as it was called in the early days.

We gave them money for equipment, which they are no longer getting, and a lot of other things to encourage them to establish their own program. We have found over the years, as a matter of fact, that if you discourage the participation of the child who pays for his lunch, it won't be long before that school gets out of the business because the parents will not support a program for 20 percent of the kids in a school. They will support a program for all of the kids in a school.

With the scarce resources they are facing out there, I am afraid that this linkage we are establishing is going to guarantee that people at the local level are going to make the hard choice that welfare is not their problem and they shouldn't be using their school dollars for it.

That is why we are raising a red flag about linking this program to the concept of welfare.

Mr. PACKARD. If I have mischaracterized the purpose of the program when it was initiated, I apologize for that.

However, I think the primary thrust at the present time is to address the needs and the concerns of the needy children.

Let me bring up another point that has bothered me a little bit. We are moving forward on the proposed budget. These kinds of programs have very significant budget implications. I am con-

cerned that there will not be legislative recommendations that will precede budget deliberations, debate, and votes.

Then any legislation that would affect and implement these proposals would trail the budget considerations by the Congress.

When can we expect to have proposed legislation that would hopefully be before budget considerations?

Ms. JARRATT. Mr. Packard, we realize that if the legislative proposal isn't here that the budget proposals that the administration might have would be less likely to succeed, so I am as anxious as you are. We hope it will be forthcoming in a matter of days. It is within the Office of Management and Budget and I hope it is up here shortly.

Mr. LEARD. We have every indication, sir, it will be here within approximately 2 weeks, following the clearance process.

Mr. PACKARD. That still makes it difficult because the budget recommendations are coming in, perhaps, this week.

It appears that one of the effective and efficient ways of bringing more and more into the nutritional assistance program is through the excess commodities, the surplus that is in storage.

Could you outline basically how that fits into this program, if at all, and what is being proposed by your Department?

Ms. JARRATT. Yes, sir. The food distribution system that exists in the States, of course, mainly services schools. Over $700 million of commodities from the Federal level went to schools last year, and about $500 million also went through that same distribution network to charitable institutions, hospitals, food banks, and other outlets that are defined as charitable outlets.

I think there is a misperception by the public that the Department of Agriculture is sitting on a heap of commodities which we refuse to give. As you know, the butter and the cheese distribution has gone quite well.

The Commodity Credit Corporation does have a number of other commodities in inventory, but many of them are committed commodities. That means that they are either in the farmer-held reserve, that the Government doesn't really have access to them, they are committed for foreign sale, or whatever.

There are a number of essentially nonperishable commodities, what we call 416 commodities, that are in the CCC inventory. I am not privy to what has been going on with the Congress and the administration with regard to this emergency assistance package that hopefully will be announced shortly up here. I understand it has a food component, but I do not know what the food component will be.

Mr. PACKARD. That entire program, however, has no relationship to this program, other than as supplements? It obviously does not figure into the dollars that are involved here.

Ms. JARRATT. Of course, commodities account for some of the entitlement money that the schools get, but we are not reducing. There is no reduction proposed in entitlements for schools for commodity activity.

Mr. PACKARD. Thank you, Mr. Chairman. I have no further questions.

Thank you very much for your testimony.

Mr. FORD. I was waiting for Congressman Goodling to appear and have a question that he wanted to ask you on the record while we have you here before us. I am just as interested as he is in this—what came to be known as the Goodling-Ford-McClure amendment. We are all great, sound conservatives, as you can recognize immediately. This amendment called for a commodity pilot study, which came about after a good many years of effort.

We understand that after submitting the original form of the commodity study, which Mr. Goodling did examine and approved of, that you are making some changes in the way in which the pilot study is going to be carried out.

Can you tell me what the justification is for the Department of Agriculture's after-the-fact change in pilot study methodology?

Ms. JARRATT. There was only one change in the methodology, Mr. Ford, and I realize it has caused a great deal of misunderstanding or controversy.

The change is that in the cash and letter-of-credit sites, the bonus commodity only activity after December 31, 1982, is to return and has returned to the regular commodity distribution system. In other words, they will no longer receive cash or a letter of credit for those bonus commodities in those two kinds of sites. However, we will honor any commitment that the participating schools may have made before December 31 for bonus food items through the 31st of March.

It is alleged that this is a great distortion of the intent of the study. That was not our intent. It simply comes out of the fact that we did not have funds to pay for the bonus commodities, and when we had a daily increasing inventory of dairy bonus, we could not justify seeking additional funds to go out and buy more.

I do not believe that it will greatly jeopardize the study because we believe that the schools that were participating under cash or a letter of credit kind of activity are accommodated now back in the distribution system, and as I said, we will honor what commitments they had made through the 31st.

It will change the methodology comparison from one school year to another, but we do not believe it will vastly impact what they have been doing this year.

Mr. FORD. Well, both the authorizing legislation and the report language very clearly spell out a requirement for the Department to submit the proposed pilot study to Congress. A proposal was submitted, which I understand Mr. Goodling did see, and now you are making a change after his review.

Why didn't you submit this change to Mr. Goodling and the rest of us, just like the first study?

Ms. JARRATT. We did make calls, selected calls, to the Hill to the primary sponsors, and I believe we asked Mr. Goodling's staff to please get in touch with you because we could not get you the day we were calling. This was right before Christmas.

We simply didn't have the funds. It would have required a reprograming funding, a request to the Hill for reprograming, and even though we hope, and we greatly do hope that the dairy inventory will be reduced substantially, we cannot visualize a day in the near future when there wouldn't be some dairy surplus there. So we did

not feel that we would leave the schools stranded by going to this alternative.

Mr. FORD. But how can you assure us that you are going to have an outcome that lays out a clear alternative between all cash and letter of credit, or the current system?

Ms. JARRATT. We believe that the participation, sir, under the entitlement portion will give us good data, and we have had the schools under the first 4 months of this school year with the bonus in the site-kind of delivery. So there will be some difference between this year and next year, but we are sensitive to that and we are trying to accommodate for that.

We will be subject to your scrutiny. I certainly hope that we have not seriously jeopardized the study. We did not intend to. So I think we can accommodate your concerns.

Mr. FORD. In effect, those schools that are participating in the cash program will not, as a result of that change, get as much money as they would have had, and as was contemplated in the legislation.

Ms. JARRATT. They will not get bonus commodity money. They will get just bonus commodities. But they will not be affected in any other way.

Mr. FORD. But, you see, you can't make a comparison. If you don't give them everything that is intended in those few schools that were going to participate in the pilot study, how are they going to compare that with what they would have had if they weren't participating in the cash and voucher system?

Ms. JARRATT. I think the fact that we are allowing them, except for bonus activity, to participate in a cash mode of operation or in a letter of credit mode of operation gives them ample opportunity to test one system against another. It is only the bonus activity, Mr. Ford, that is affected, and we don't think that will serious jeopardize the study.

Mr. FORD. How much money are you talking about as a shortfall that you are anticipating at the end of the year?

Ms. JARRATT. $2.5 million for the remainder of this year just to cover the bonus activity, and we didn't have it in our study money.

Mr. FORD. So is it fair, then, to assume that the amount of money that they would have received in a direct parallel comparison is reduced by $2.5 million for this year?

Ms. JARRATT. They are getting commodities of that value rather than money.

Mr. FORD. They are getting commodities rather than money?

Ms. JARRATT. Yes, sir. It is only the bonus commodity portion of the study that was affected, not the rest of the operation of the study.

Mr. FORD. I have some reservations about that, and I will have to discuss it with Mr. Goodling and Mr. McClure. I am not at all sure that you are going to come up with an answer in the study result that tells us anything.

You obviously understand the sensitivity of it because many of the agricultural interests have resisted this idea very strenuously. They don't want anything to happen to their nice marketing system out there.

The reason for the pilot study was to provide an alternative to continuing the legislative fight. In this study we hope to find out whether these schools could do what they thought they could do if we left them free to make their own decisions.

I have to assume that this is consistent with the whole block grant approach and the voucher system which are suggested for everything from employees' health benefits to school tuition by this administration. So I don't see that we have here a kind of classic political confrontation. We ought to bend over backward to make sure that the study that has been set up will produce a result that leads the Congress in making policy to a conclusion that is based on something factual.

Ms. JARRATT. Mr. Ford, if the study were to lead the administration and the Congress to favor, let's say, cash over the combination of cash and commodities that we have now, I can't envision that we still wouldn't do something with the bonus commodity and give the school the dairy inventory in bonus, because it is there. We have such an abundant agriculture supply that the bonus portion of this study we just didn't feel would have that dramatic an impact on the overall study. I don't know what the study will show.

Mr. FORD. How much is in the pilot program?

Ms. JARRATT. How much what?

Mr. FORD. How much is allocated to the pilot program?

Ms. JARRATT. $2.2 million.

Mr. FORD. You said there is a $2.2 million shortfall. How many districts is it in?

Mr. BRALEY. The Congress, in setting up this system, made money available for the research essentially, but didn't make money available for paying for these bonus letters of credit and cash. That is the difficulty that we face; that it never had been envisioned by the Congress nor by the Department in putting that study together.

Mr. FORD. It wasn't envisioned by the Department because the Department very bitterly opposed conducting the study. That is a previous administration, not your administration, but it was bitterly opposed by the Department. The Department is being dragged, kicking and screaming, across the finish line and never getting the thing underway. The previous administration chose to ignore what we were saying, and would have continued, I think, to try to ignore it.

We thought that this was moving along now. But don't you know approximately how much money is in this study, in complying with the pilot program?

Mr. STOKES. Maybe I can try to answer that.

The study itself is approximately $2.2 million. The amount of money that it would have taken for the remainder of this school year, in addition to what we had already put in, would be about $2.5 million to get us to the end of the school year.

Ms. JARRATT. The $2.2 million was to help develop the methodology, Mr. Ford, and to set aside funds for evaluation kinds of purposes. There is more money for evaluation than there was for developing.

Mr. FORD. What I am trying to get a grasp of is how significant the $2.5 million shortfall is. If you are talking about $2.5 million

out of a pot of several hundred million, that is one thing; if you are talking about $2.5 million out of a pot of $25 million, then it is significant enough, it seems to me, to make a difference in the result of the study.

Ms. JARRATT. Just to cover the bonus activity, let's say if we were to continue this project for 2 more years just to cover paying letters of credit or cash for bonus only would cost us over $7 million and we don't have it. We have accommodated for methodology, for running the study, for the evaluation, but we did not have the funds in our budget.

Mr. FORD. Are there any school districts now receiving cash in lieu of commodities?

Ms. JARRATT. Kansas is cashed out, but that is not a part of the study. Kansas has been cashed out for some time. That is the only State that is.

Mr. FORD. So none of the 90 schools contemplated in the pilot program are now participating in it?

Ms. JARRATT. Excuse me, sir. I didn't hear that.

Mr. FORD. How many of the 90 schools contemplated by the legislation are actually participating this year?

Ms. JARRATT. They are all participating.

Mr. FORD. How much has it cost us for them to participate?

Mr. STOKES. The participation is in entitlement commodities and not in bonus commodities. I will have to refer that to Mr. Braley, because he pays for that.

Mr. BRALEY. Essentially, the commodity reimbursement rate is around 12 cents a meal now. I don't know the total number of meals being served in those 60 cash and letter of credit sites, but each one of them is receiving roughly 12 cents a meal in entitlement commodities, and as much bonus commodities in dairy products as they can use without waste.

So cash and letter of credit options are still being tested in 60 of those 90 schools, actually a few more than that, as was envisioned by the Congress.

Mr. FORD. But you can't approximate the cost in cash instead of the commodities that are going to these 60 schools this year?

Mr. BRALEY. I can't for the record. I just don't have those figures available with me today.

Mr. FORD. Do you have any kind of a ball park guess of what we are talking about?

Mr. BRALEY. The amount of money that I believe was talked about early on was in the neighborhood of $25 million. That sticks in my mind. I don't know if that has changed.

Mr. FORD. I would like you to check that, because if it is $25 million, then Mr. Goodling and I would like to talk to you some more because $2.5 million out of $25 million is a significant warp.

Ms. JARRATT. Could we supply a complete budget history of this project for the record, Mr. Ford? I will be happy to do that.

Mr. FORD. Yes. I believe we would like to have that, and we want very much for your study to be validated and credible.

Ms. JARRATT. We want to work with you on that, and if you have concerns about it, I went over last week to speak to Senator McClure about it and we would like to share the same conversation with you. We have provided him information of what it would cost

to continue the study for 1, 2, or whatever years, and what the bonus value would be. But we will supply the complete budgetary history of the program since its inception.

Mr. FORD. All right. If you will send that up, I will talk to Congressman Goodling and Senator McClure about it and see if we still have any reservations.

[The information referred to follows:]

Hon. WILLIAM D. FORD,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN FORD: At your Committee's hearings on March 1, 1983, you requested that we provide expenditures and future costs associated with the Alternatives to Commodity Donation pilot project. The attached sheet provides those numbers which you requested. You will note that our savings in providing bonus commodities, rather than cash or letters of credit, is $5.85 million through June 30, 1984. This compares with $13.2 million which will have been spent for entitlement commodities during the course of the project.

We would be pleased to provide additional information at your request.

Sincerely,

MARY JARRATT,
Assistant Secretary, Food and Consumer Services.

Attachment.

COSTS ASSOCIATED WITH THE STUDY OF ALTERNATIVES TO COMMODITY DONATION

A. ACTUAL AND ESTIMATED COST OF COMMODITY ALTERNATIVES

Entitlement Commodities.—Cash and Letters of Credit in Lieu of Entitlement Commodities (Section 6 Funds Which Would Otherwise Be Used to Buy Commodities for Donation).

	Million
1. School year 1982-83	$6.6
2. School year 1983-84	6.6
Total	13.2

Bonus Commodities.—Cash and Letters of Credit in Lieu of Bonus Commodities.

1. School year 1982-83:	*Million*
Expenditures thru December 31, 1983	$1.35
Estimated cost thru June 30, 1983	[1] 2.25
2. School year 1983-84: Estimated cost thru June 30, 1984	[1] 3.6

[1] These costs represent the savings which result from the switch from Bonus Cash and Bonus Letters-of-Credit to Bonus Commodities.

B. COST OF DEMONSTRATION CONTRACTOR

	Million
1. Expenditures thru February 1983	$1.2
2. Cost to complete the study	1.1
Total	2.3

C. COST OF EVALUATION CONTRACTOR

	Million
1. Expenditures thru February 1983	0.92
2. Cost to complete the study	1.38
Total	2.30

Mr. FORD. Thank you very much for your cooperation with the committee today and we will look forward to receiving the studies that we have referred to so many times today.

I hope you understand that there is nothing personal in my very obvious hostility to your proposals. I would be just as hostile if Davy Stockman was over here peddling his own fish instead of having you do it for him. It is not you or your people that upset us; it is the program that you have to try to sell us that is upsetting.

Ms. JARRATT. Thank you for the opportunity to appear, Mr. Ford.

Mr. FORD. Without objection, the record of today's hearing will be kept open for other questions other members might want to submit so that it will be printed contemporaneously with your testimony today.

[Whereupon, at 12:12 p.m., the subcommittee adjourned, to reconvene at the call of the Chair.]

OVERSIGHT ON ADMINISTRATION'S BUDGET PROPOSALS FOR CHILD NUTRITION PROGRAM

WEDNESDAY, MARCH 2, 1983

HOUSE OF REPRESENTATIVES,
COMMITTEE ON EDUCATION AND LABOR,
SUBCOMMITTEE ON ELEMENTARY, SECONDARY,
AND VOCATIONAL EDUCATION,
Washington, D.C.

The subcommittee met, pursuant to call, at 9:08 a.m., in room 2175, Rayburn House Office Building, Hon. Carl D. Perkins (chairman of the subcommittee) presiding.

Members present: Representatives Perkins, Miller, Kildee, Martinez, and Packard.

Staff present: John Jennings, associate general counsel; Beatrice Clay, legislative specialist; and Mary Jane Fiske, senior legislative associate, minority.

Chairman PERKINS. I am going to start. We have a lot of things to do today.

Today the Subcommittee on Elementary, Secondary and Vocational Education is continuing its oversight on the President's budget proposals for child nutrition for fiscal year 1984.

Yesterday, the administration appeared before the subcommittee to outline their budget proposals for child nutrition. Departmental officials testified that the administration is not cutting the WIC program, but holding it at its 1983 level of $1.060 billion.

The fact that this freeze does not allow for inflation means that 155,000 low-income, malnourished pregnant women, infants, and children will be forced off the program next year.

We are very fortunate to have a very distinguished panel of witnesses testifying on the administration's proposal and its effect on program participation and availability.

Because the full committee is meeting at 11 a.m. to mark up the committee's recommendations for the Budget Committee, I must ask all of our witnesses to hold their remarks to no more than 5 minutes so as to allow time for questions. Your written statements will be included in the hearing record in their entirety.

Now, I see some grinning. First let me state that if you want to go beyond the 5 minutes, I have no objection to it, if you really want to go on. But I am wondering how we are going to work out our time schedule and that is the only reason I offered that suggestion.

I want to welcome all of you here today. We have Dr. Kennedy, nutrition consultant, International Food Policy Research Institute

and visiting professor, School of Nutrition, Tufts University; Dr. Rose A. Langham, director of nutrition services, Louisiana Department of Health and Human Services; Joanne Keiser, WIC program coordinator, Baltimore County, Md.; Sandra Iman, WIC recipient, Baltimore; Dorothy Kolodner, WIC program coordinator, Allegheny Health Department; Dr. Gene Calvert, chairman-elect, food and nutrition service, American Public Health Association; and Lorette Picciano-Hanson, issues analyst on domestic hunger, Bread for the World.

All the panel members come around, and we will start with you, Dr. Kennedy, at this time.

STATEMENT OF DR. EILEEN KENNEDY, NUTRITION CONSULTANT, INTERNATIONAL FOOD POLICY RESEARCH INSTITUTE, AND VISITING ASSISTANT PROFESSOR, TUFTS UNIVERSITY

Dr. KENNEDY. Thank you for inviting me here today.

I would like to review research related to WIC, summarize the findings, and look at the implications of the research for the WIC program.

The WIC program is unique in many ways, but one of the ways that I think is helpful from the point of view of my testimony this morning is that, from its very inception, a very heavy emphasis was placed on evaluation of the program. As a result, we now have a series of studies, a total of seven, related to the prenatal component of WIC which allow us to make some assessment as far as what is happening in the WIC program.

I don't want to discuss each of the individual studies, but I would like to summarize the major findings.

Despite the fact that studies were conducted in different locations—for example, Massachusetts, Oklahoma, Tennessee, and Missouri—and with different experimental and quasi-experimental designs, there is a remarkable similarity in the reported results. I have summarized the results in table 1 of my testimony.

All of the studies report a positive effect on birthweight and a decrease in either the incidence of low birthweight babies, those less than 2,500 grams, and/or a decrease in those infants who are small for a gestational age.

In addition, a 1980 study conducted in Massachusetts by Dr. Milton Kotelchuck and his colleagues also found significantly fewer neonatal deaths, deaths in the first 28 days of life, in infants born to WIC mothers when compared to infants of non-WIC comparison women.

I think what we begin to see across all seven studies is a consistency of effect, all positive, and an effect size within a fairly narrow range.

I would be hesitant to make any generalizations about the effects of WIC based on only one study, but given a series of studies, the results of which reinforce each other, it is clear that participation in WIC is associated with improved neonatal outcome.

The study I was involved with, which was conducted in conjunction with the Harvard School of Public Health and the Nutrition Board of the Commonwealth of Massachusetts, was interested not just in looking at the outcomes of the WIC program, but additional-

ly we were interested in assessing the economic implications of WIC.

One of the original rationales for WIC—and this dates back to 1971—was "supplemental feeding would be an economical and humane solution to a serious malnutrition problem." Given that there had been a history in the fifties and sixties of a number of social welfare programs, health nutrition programs, having a significant effect but the effect being small, we were interested in assessing whether, in fact, the benefits that accrue as a result of WIC could be justified by the costs of operating the program. As a result, we conducted a study of 1,328 women in Massachusetts, representing 918 WIC women and 410 non-WIC prenatals. We had information on the medical characteristics of the women, health characteristics as well as length and amount of participation in WIC. We looked at four different geographical areas of the State representing nine different sites.

Since women in our study had self-selected to participate in WIC, which is typical, we were concerned about the comparability of our comparison group women. Our internal comparison group women represented women who were wait-listed for the WIC program. So had there been openings on WIC, they would have been on the program. The thinking there, whatever motivated WIC women to participate or to apply for WIC also motivated these wait-listed women.

We also had an external comparison group which represented non-WIC women at non-WIC health care facilities.

We analyzed a cost-benefit ratio for the program using the incidence of low birthweight as our indicator of outcome. I am sure most of the people at this table, including people on this subcommittee, have heard the question before—"well, even if we concede that WIC is having an effect on birth weight, how big of a difference could 2 to 3 ounces make overall in the health of that infant?"

I agree. If all we were seeing was just a 2- or 3-ounce increment in birth weight and nothing else, I would be less optimistic about the importance of the program. But what you see is this 2- or 3-ounce increment in birth weight translates into a decrease in the incidence of low birth weight. That is what is critical. It is your high-risk infants, the outcome in these infants is being improved. So it was this parameter incidence of low birth weight that we looked at in calculating our cost-benefit ratio.

The total cost of WIC included the cost of supplementation of all the women in our study, as well as the cost of treating those infants who were born low birth weight, despite the fact that their mothers were on WIC. We compared this to the total cost that would have been incurred had WIC not existed, which was the incidence of low birth weight in your non-WIC group.

What we came out with was as total cost, including WIC, of the WIC program, plus hospitalization, of approximately $230,000. This can be contrasted with hospitalization costs of approximately $715,000 in the non-WIC women for neonatal intensive care costs for their infants. This translates into a 3-to-1 cost-benefit ratio favoring the WIC program.

Even if you redo this calculation using our lower risk external comparison group, we still come out to 1.9 to 1 ratio again favoring WIC.

I don't think this analysis is surprising when you look at the costs we're talking about. The women in our study participated on average for 4 months. The cost of the food package for 4 months, as well as administrative WIC costs, was $105. At the time we were doing our study, the cost of doing 1 day of neonatal intensive care was $450. So you are comparing $105 for WIC to $450 of 1 day's medical costs. I don't think it was surprising to anybody that we found a positive cost-benefit ratio.

I believe these estimates are conservative because they do not include any longer term treatment costs of treating low birth weight infants, and we know from other studies that low birth weight infants are more likely to suffer developmental abnormalities, including blindness and deafness. If these longer term costs were incorporated into our analyses, the cost-benefit ratio would look even more positive.

Furthermore, in the face of ever-increasing hospitalization costs, the preventive approach of WIC will become even more attractive in the future.

Interestingly, similar analyses have recently been done by the Missouri Department of Health. Their results also show a positive cost benefit ratio again in favor of WIC. Based on this, I would say the WIC program is having an effect and the costs of the WIC program are more than justified by the benefits.

What I have found over the past couple of years as I have become involved in international nutrition programs is I have been frequently called upon to justify WIC to people outside the United States. The questions are always along the lines of "How have you had such dramatic effects with a WIC supplemental feeding program in the United States, where supposedly the level of need is so much less, when in developing countries supplemental feeding programs have appeared to have a lesser level of benefits?"

I would segment out three reasons: The level of benefits that we provide in the WIC program are significantly higher than what is provided in supplemental feeding programs in developing countries. In most international programs they provide a daily supplement of approximately 200 to 300 calories a day. In the WIC program we are providing to pregnant women 900 calories a day. The greater level of supplementation in WIC accounts in part for the significant effects that we have observed.

The second issue is the fact that I don't consider WIC just a supplemental feeding program—and I don't say that as a disparaging comment. But the WIC program stresses not just food, but the provision of health care, as well as nutrition education. I would more appropriately label WIC as an integrated health and nutrition intervention. I make the distinction because in developing countries there are a number of examples where integrated health nutrition programs have, in fact, brought about a significant improvement in outcomes of pregnancy. I think one of the strengths of WIC is the focus on food, plus health care, plus nutrition education.

The research which I have just reviewed not only tells us what has been happening in WIC, but also gives us some clues as far as

where some fine tuning could be done in the program. The studies collectively indicate that more, in fact, is better than less. As the length of participation in WIC increases, the effects also increase. And this is consistent across the studies.

We see that the greatest increment in birth weight is in those infants born to mothers who participated in WIC for 6 or more months. I think this implies an active outreach effort should be initiated to enroll women early in WIC in their pregnancies.

The research also shows us that WIC is able to produce more of an effect in "high risk" women. Teenagers, nonwhite pregnant women, women with a history of producing low birth weight infants and smokers, benefit more from WIC than women of lower risk.

Last—and I think this is sometimes overlooked, in thinking about why WIC has had a positive effect—is the fact that WIC foods are meant to be a net addition to the foods already consumed in the diet. The foods are not supposed to substitute for foods already in the diet. The WIC foods were supplemental to those foods which were normally purchased before women participated in the program.

In our study we found that the majority of women were on food stamps. The core diet was being purchased with food stamps and WIC was supplemental to the food stamps. Therefore, a cutback in the allocation of food stamps would also adversely affect WIC. I know that the food stamp program is not the responsibility of this subcommittee, but I think it is important to underscore the potential negative effect a cutback in food stamps could have on the WIC program.

Thank you for giving me the opportunity to appear today.

[The prepared statement of Dr. Eileen Kennedy follows:]

22-809 O—83——6

PREPARED STATEMENT OF DR. EILEEN KENNEDY, NUTRITION CONSULTANT, INTERNATIONAL FOOD POLICY, RESEARCH INSTITUTE, WASHINGTON, D.C.

Thank you for inviting me here today. I'd like to review the research related to WIC, summarize the findings and look at the implications of the research for the WIC program.

The WIC program is unique in many ways - one of which is the fact that a strong emphasis was placed on evaluation of WIC from its very inception. Because of this, we now have a total of seven different studies which have evaluated the prenatal component of supplementary feeding programs. A synopsis of the research designs for each of the studies is included in the appendix and the results are presented in table 1.

I don't want to discuss each of the individual studies but I would like to summarize the major findings. Despite the fact that the studies were conducted in different locations - Massachusetts, Oklahoma, Tennessee, Missouri - and with different experimental and quasi-experimental designs, there is a remarkable similarity in the reported results. All studies report a positive effect on the birth weights of infants born to program participants and a decrease in the incidence of low birth weight (less than 2500 grams) and/or small for gestational age infants. In addition, the 1980 study conducted by Dr. Milton Kotelchuck and his colleagues in Massachusetts also found significantly fewer neonatal deaths in infants born to WIC mothers when compared to babies of non-WIC women.

Across the various studies we see a pattern of a consistency of effect (positive) and an effect size within a fairly narrow range.

I would be hesitant to make any generalizations about the effects of WIC based on only one study, but given a series of studies, the results of which reinforce each other, it is clear that participation in WIC is associated with improved neonatal outcome.

The study I was involved with, which was conducted in conjunction with the Harvard School of Public Health and the Nutrition Board of the Commonwealth of Massachusetts, was interested not just in evaluating the effects of the program but also in assessing the economic implications of WIC. The original rationale for WIC states "supplemental feeding would be an economical and humane solution to a serious malnutrition problem." Our study was interested in determining whether the economic benefits of WIC could justify the costs of operating WIC.

Retrospective data were collected for 1,328 women representing 918 WIC women and 410 non-WIC prenatals. The information collected included data on biological and social characteristics of the prenatals as well as information on the length and amount of participation in WIC.

Six WIC sites and three non-WIC sites were included in the study. Since both WIC and non-WIC agencies were selected, WIC prenatals could be compared to prenatals at the same site (internal control) as well as women from non-WIC health facilities (external control).

WIC women in the study had self-selected to participate in the program and therefore were not randomly allocated to either the treatment or control group. The internal control (C_1) was selected to

minimize the effects of non-randomization in the WIC prenatals. C_1 women were selected from prenatals who either were on the waiting list for WIC or who applied for WIC during the post-partum period. The assumption is that C_1 women on the waiting list would have been on the program had there been available spaces. Similarly, C_1 women who were certified post partum would have participated in the program if they had been aware of it prenatally.

The external comparison group (C_2) was chosen from prenatal patients at health facilities serving the same area as WIC centers.

The WIC budgets for Fiscal Year 1977 were used for the program cost comparisons.

A cost benefit ratio was calculated using the data from our study.

The implicit assumption in WIC is that prenatal dietary supplementation will improve the nutritional status of the participant which will in turn influence neonatal outcome. WIC is aimed specifically at decreasing the incidence of Low Birth Weight (LBW) babies who generally require extra hospitalization than normal birth weight infants. Therefore it is this LBW parameter that was used to determine the cost-benefit relationship of WIC. Since the WIC women produced significantly fewer low birth weight infants than did their non-WIC counterparts, we wanted to determine if the economic benefits of decreasing the incidence of LBW was greater than the costs of producing that benefit.

The total cost of WIC included the cost of supplementation for all the WIC women in our study plus the cost of treatment of those infants

who were low birth weight despite participation in WIC. This produced a total cost of $230,134. This total WIC cost can be contrasted with the cost that would have been incurred had WIC not existed.

The hospitalization costs for the C_1 non-WIC low birth weight infants was $715,914. Comparing the $715,914 against the total WIC costs of $230,134, one obtains a benefit-cost ratio of 3.1:1 favoring WIC.

The same calculation can be done using the combined comparison group; with a total hospital cost of $442,954, even for this lower risk group, the WIC program is still more cost beneficial than a curative approach showing a 1.9:1 ratio. These benefit-cost ratios show that the WIC prenatal program more than pays for itself. This is a clear example where prevention is more cost-beneficial than cure.

This analysis is not surprising when you look at the costs we are comparing. In our study the average length of participation in WIC was approximately four months (3.9 months). The cost of the food package for four months of participation, including a 20% administrative cost, was $105. This can be contrasted with $450/patient for each day of neonatal intensive care.

These estimates are conservative in that they do not include any longer term costs for treatment of disabilities associated with low birth weight. LBW infants are more prone to developmental abnormalities including neurological problems like blindness and deafness. If these longer term costs were incorporated into our calculations, the benefit-cost ratio of WIC would appear even more favorable.

This analysis reveals that from a cost-benefit point of view the WIC prenatal supplementation program is highly desirable. In fact, it turns out to be a net resource saver for society. Furthermore, in the face of ever-increasing hospitalization costs, the preventive approach of WIC will become even more attractive in the future.

Similar analyses have recently been conducted in Missouri, and their results also show a positive benefit/cost ratio in favor of WIC (7).

For the past few years I have been involved primarily with international nutrition programs. I have frequently been asked why we are able to show such dramatic changes in the U.S. due to WIC when supplementary feeding programs in developing countries appear to have been less successful. There are two major reasons:

(1) The level of benefits provided in WIC is much higher than that which is provided in other programs. Most supplementary feeding programs in developing countries provide a daily supplement of 200 to 300 calories. The WIC program provides approximately 900 calories a day to pregnant women. The greater level of supplementation in WIC accounts, in part, for the significant effects that are observed.

(2) The second reason for the positive and significant effects of WIC is probably due to the fact that WIC stresses the provision of not only food but health care and nutrition education. WIC is not simply a supplementary feeding program in the traditional sense but, rather, a more appropriate label would be an "integrated health/nutrition intervention." I make the distinction because in

developing countries there are a number of examples where an integrated health/nutrition program was able to bring about a significant improvement in neonatal outcome. One of the strengths of WIC is the focus on food plus health care plus nutrition education.

The research which I have reviewed allows us not only to say that WIC is having a positive and significant effect on pregnant women and their infants, but the reasearch also can be used to tell us where the WIC program needs some fine tuning. The studies collectively indicate that "more is better than less." As the length of participation in WIC increases, the effects also increase. Consistently we see that the greatest increment in birth weight is in those infants born to mothers who participated in WIC for six or more months. Active outreach efforts should be initiated to enroll women in WIC early in their pregnancy.

The research also shows us that WIC is able to produce more of an effect in "high risk" women. Teenagers, non-white prenatals, women with a history of producing low birth weight infants and smokers benefit more from WIC than women of lower risk.

Lastly, what is sometimes overlooked is the fact that WIC is a supplementary feeding program - that is - the WIC foods are meant to be a net addition to the foods already consumed. The foods are not supposed to substitute for foods already in the diet. In our study, the majority of women were receiving food stamps. The WIC foods were supplemental to those foods which were purchased with food stamps. The core diet was being purchased with food stamps. Therefore, a cut-back in the allocation of food stamps would also adversely affect WIC. I know the food stamp program is not the responsibility of this committee, but it is important to underscore the negative effect a cut-back in food stamps could have on WIC.

Thank you for giving me the opportunity to appear today.

Table 1

Summary of Study Findings

Study	Mean WIC effect on birth weight
UNC (1)	+43 grams (+136 grams in women on WIC for greater than six months)
Harvard (2)	+122 grams
Massachusetts Dept. of Health 1980 Study (3)	+23 grams (+110 grams in women on WIC for greater than six months)
Massachusetts Dept. of Health 1982 Follow-up Study	+23.5 grams (+110 grams in women on WIC for greater than six months)
NTS (5)	+96 to +116 grams
University of Oklahoma (6)	+91 grams (+200 to 300 grams in "high risk" women)
Missouri Health Dept. (7)	positive effect on birth weight

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3. Kotelchuck, M. et al. (1981). Final Report: 1980 Massachusetts Special Supplemental Food Program for Women, Infants, an Children Evaluation Project Report Submitted to Food and Nutrition Service, USDA, Washington, D.C.

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7. Missouri Dept. Public Health (1982). Analysis Effects of WIC. Jefferson City, MO.

Appendix

Study Design*

University of North Carolina (1)	Prospective study, cohort design; pregnant women entering WIC were compared to women already on WIC to assess program effect. 9867 pregnant women included initially, 5417 revisited
Harvard (2)	Retrospective study, non-equivalent group design; 1328 women from four geographical areas and nine WIC and non-WIC sites included.
Massachusetts Department of Public Health, 1980 study(3)	Retrospective study, matched control design; all WIC women who gave birth in 1978 were matched to non-WIC control based on race, age, parity, maternal education and marital status. 4126 pairs included in the study
Massachusetts Department of Public Health, 1982 study(4)	Retrospective study, Follow-up to 1980 study. All WIC women who gave birth in 1978 and for whom the 1978 birth was parity two or greater were included; 1978 birth outcomes were compared to earlier non-WIC birth. 1306 pairs were included in the study.
NTS (5)	Retropsective study, non equivalent control group design and matched control group design both used to assess the effect of the Commodity Supplemental Food Program in Memphis.
University of Oklahoma Medical Center (6)	Prospective Study, Experimental Design. A total of 900 women included in the study; 450 high risk (300 WIC and 150 non-WIC) and 450 low risk (mainly non-WIC) followed throughout pregnancy.
Missouri Health Department(7)	Retrospective study, matched control design All WIC women giving birth in 1980 were matched to non-WIC women based on race, age, parity, marital status and maternal education; 6500 pairs included in the study.

* Listed in chronological order

Chairman PERKINS. Thank you very much. It was a good statement, Dr. Kennedy.

Our next witness is Dr. Langham. You go ahead. We are glad to hear from Louisiana today.

STATEMENT OF DR. ROSE A. LANGHAM, ADMINISTRATOR, NUTRITION SECTION, OFFICE OF HEALTH SERVICE AND ENVIRONMENTAL QUALITY, DEPARTMENT OF HEALTH AND HUMAN RESOURCES, NEW ORLEANS, LA.

Dr. LANGHAM. Thank you, Mr. Chairman.

The second WIC program in the Nation was implemented in southeast Louisiana in January 1974, and it became a very integral part of our health delivery system. For us, WIC has three definite components—the health delivery system, food supplementation, and nutrition education. We do not feel that these three components should be looked at differently or can be separated in trying to do an evaluation of the WIC program. Because we have to have ongoing evaluation of our services, we built evaluation into the WIC program at the very conception.

We also participate in the nutrition surveillance program through the Centers for Disease Control in Atlanta, and because of these two programs we have been able to draw some conclusions. We were also part of the 10-State survey in 1968 and 1969.

My first visual shows that in the 10-State survey our preschool population in 1968 had approximately 52 percent, of those children surveyed, had unacceptable hemoglobin levels. By 1974, when the WIC program started, after we had begun intensive educational and treatment programs, the incidence of unacceptable hemoglobin levels in our preschool population had been reduced to about 15 percent. In 1981, this was down to 6.5 percent. We are very proud of this improvement in the health status of our preschool population and we are very certain that the WIC program has been part of that improved pattern because of the fact of the iron-rich food that it supplies to our population.

One of our very interesting studies that we are doing is an ongoing look at birth weights of babies born to mothers who participated in the WIC program at some time, either after they delivered or prior to delivery. Those who enrolled after they delivered had some very good reasons for not participating. Either the WIC program was not available at the health care facility where they received prenatal care, or they did not meet eligibility requirements.

If we look at the black population, which makes up about 70 percent of the study, as well as our WIC population, and where we have had the most dramatic improvements, we will see that in those women who enrolled in the WIC program after they delivered, the low birth weight rate was 14 percent. This is about the same low birth weight rate that we have in our charity hospital system in Louisiana.

If these women had participated in the WIC program for at least 3 months prior to delivery, this low birth weight rate had been decreased to 8.4 percent. Again, this is a very statistically significant finding.

If we look at the approximately 11,000 women who participated in the WIC program in this study, we estimate that the WIC program has helped to prevent 460 low birth weight babies in this population group.

Now, it has been estimated that it costs $7,000 for each pound of weight gained in an intensive neonatal nursery. Nationwide, about 8 percent of the babies are low birth weight and yet they contribute to 60 percent of the infant deaths in the Nation. So anything that we can do to prevent low birth weight babies, we are making a tremendous impact on health status. Not only does it have an impact on the infant death rate, but the children that do survive are more likely to have continuing physical and neurological handicaps.

In a study that has just been published, we looked at babies whose mothers have been supplemented during pregnancy in 1974, when the program started, and an older sibling who did not get WIC until after they were a year old because the WIC program was just not available. So we are looking at a group of children, when they started to school at 6 and 8 years of age, that either had WIC during the fast period of brain growth and development.

This chart shows that the rate of brain development is tremendous during the period just prior to delivery and during the first year of life, so that our comparison of the sibling study is looking at the supplementation during this time.

Now, 6 years later, in 1980, our clinical psychologists did extensive testing of 21 pairs of siblings. It was a small study, 42 children. But if we look at the adjustments of the IQ based upon the socioculture adjustments by Mercer, which many people feel are a more sensitive index to culturally deprived people, you will see that the expected learning potential of those children who were 6 years of age, whose mothers had been supplemented at least 3 months prior to delivery, and they received supplementation, the first year of life at least had an expected learning potential of 103; whereas those who were siblings with exactly the same genetics, the same home environment and so on, had an expected learning potential of about 86.

Now, if we translate this into educational cost—in Louisiana it costs about twice as much to educate a child in special education as it does in the regular education program. If we can translate this finding to a group of approximately 100 children, then a group of children with an average learning potential of 104, you would expect to find one child out of 100 that would need special education, who had an expected learning potential of less than 60. If you had 100 children with an average of the 86, you would expect to have 10 children who would need special education. So you can see there is almost a tenfold increased cost for special education in this population group.

Also, the mothers of these children, based upon a behavior check list for adaptive behavior in the home, reported that children who had late supplement had many more behavior problems than those children who had received early supplementation.

These are all very good findings, but perhaps I could give three one-sentence testimonies from mothers, where a mother said "this baby is just so much happier than any baby I have ever had." An-

other mother said, "this baby is much more alive than his older brothers and sisters." Just recently I was in the parish up at Northeastern Harbor with our regional medical director, and we were looking over a waiting room of about 40 children that were in for a child health conference. She says, "Just look. There is not a puny child out there." A decade ago that was not true.

If anyone else from our health agency could be here today, they would tell you the same story, because we are all firm believers in the WIC program. Our main concern is that we have not been able to meet the needs of our population. We are currently serving about 50 percent of our needs. We have had to place a freeze on priorities 3 through 7 since last October, and of Monday we put a complete freeze on enrolling any new participants in the WIC program in Louisiana because of our lack of funding.

[The prepared statement of Dr. Rose A. Langham follows:]

PREPARED STATEMENT OF ROSE ANN LANGHAM, DR. P.H., R.D., ADMINISTRATOR, NUTRITION SECTION, OFFICE OF HEALTH SERVICES AND ENVIRONMENTAL QUALITY, DEPARTMENT OF HEALTH AND HUMAN RESOURCES, NEW ORLEANS, LOUISIANA

The second WIC Program in the nation was implemented in Southeast Louisiana in January, 1974. Currently, we have a state-wide program that serves approximately 70,000 patients. More information about the program is given on "Louisiana WIC Program, Fact Sheet" (Attachment 1).

From its inception, the Louisiana WIC Program has been an integral part of our health care provided to women and children. While patients are receiving health services, they are screened for the WIC Program. If eligible, they are issued vouchers while at clinic. Nutrition education is also provided as part of the clinic service.

In considering the impact of the WIC Program in Louisiana, we have to take into account the benefits derived from health services, nutrition education, and the supplemental foods. It is almost impossible to measure the impact of just one of the components. I do not believe that any attempt should be made to design an evaluation that would try to measure the impact of less than the total scope of the WIC Program.

Since it is necessary for us to be able to measure the effectiveness of all our services, ongoing evaluations have been part of our WIC Program. Our first evaluation was done in the summer of 1975 after 15 months of WIC services. Since then, we have been involved in two other evaluation studies: the cognitive study and a birth weight study which is still ongoing. An oversimplification of health benefits of the Louisiana WIC Program is given in Attachment 2. I would like to expand on those areas.

The Louisiana phase of the Ten-State Nutrition Survey, field work of which was done in 1968-69, documented a fact that was well-known to health workers in the state: undernutrition was a problem. In 1973, Louisiana and four other states, in cooperation with the Centers for Disease

Control, Atlanta, implemented a Nutrition Surveillance Program for Children and Youths. Louisiana data are taken from the screening services provided through our Early and Periodic Screening, Diagnosis and Treatment Program (EPSDT). This is a health service for children from low income families. Most of these preschool children also receive WIC services.

Anemia, unacceptable hemoglobin/hematocrit levels, has been one of our most common health problems. Hemoglobin has many functions in the body, one of which is to carry oxygen. In a study of Head Start Children conducted concurrently with the Ten-State Nutrition Survey, it was observed that anemic children had decreased attention spans. This certainly has implications for educational services. It is well documented that anemic children are more susceptible to infections. Very severe anemia can affect the heart, too; e.g. heart failure can result from severe cases of anemia. Anemic children are often apathetic and listless.

As shown in Attachment 3, in 1968-69, 51.9 percent of the children screened during the Louisiana phase of the Ten-State Nutrition Survey were anemic. Major educational efforts and treatment programs were implemented. The nutritional surveillance data of 1974 show that 14.7 percent of our preschool EPSDT children were anemic. By 1981 only 6.5 percent of the EPSDT preschool children were anemic. I am certain that the WIC Program has been a major factor in achieving and maintaining this reduced incidence of anemia because of its providing iron-rich foods needed to build red blood cells, and thereby preventing anemia early in life.

An ongoing study of the birth weights of infants of women participating in the WIC Program is very interesting. The data are given in the table on Attachment 2. To date 18,031 birth weights have been tallied. We plan to continue with this study until the sample size is 20,000, but we do not expect that the remaining 1,969 birth weights will change the percentages. Low birth weight has been defined as a birth weight of less than 2500 grams. The most striking changes have been in the black population (Attachment 4) which represent 70.5 percent of the total sample. This percentage is almost identical to that in the total WIC population. Among the black women who did not receive WIC services until after they delivered, the low birth weight rate was 14.3 percent. This is comparable to the low birth weight rate among women who deliver at one of the Louisiana charity hospitals. There are several reasons for their late enrollment, including WIC services not being available while they were pregnant, or their not meeting the eligibility requirements during pregnancy. Among the women who had received WIC services for three or more months before they delivered, the low birth weight rate was 8.4 percent.

Many health problems occur among low birth weight babies. Nationally, the low birth weight rate is about 8 percent. Yet, this group makes up 60 percent of infant deaths. Many of the low birth weight babies who survive have health problems, such as developmental delays, or

permanent health impairments, such as neurological problems or mental retardation.

Care of the low birth weight baby is very costly. It has been estimated that it costs $7,000 for every pound gained while a baby is in an intensive neonatal nursery. Based upon the babies in the birth weight survey, it is estimated that the Louisiana WIC Program helped to prevent 460 low birth weight babies among the 11,817 women who received WIC services during pregnancy. If one looks at just the initial hospital cost, vs the cost of WIC services, the immediate cost/benefit ratio is evident. Also to be considered is future savings in health care. Of course, the impact on the quality of life and productivity cannot easily be measured in dollars and cents.

In 1980, the infants born to women who had received WIC services during the first part of 1974 enrolled in school. It was thought that they should do better in school than older siblings who had the same genetics and the same home environment, but who did not have the benefits of the WIC Program during their first year of life since the WIC services were not available. This presented a study population that could not be duplicated by a study design because of ethical problems in denying benefits to a patient in order to do an evaluation.

Three rural parishes (counties) that implemented the WIC Program during January and February, 1974, were selected for the study. Siblings were selected that met the study criteria as outlined in the reprint of the study (Attachment 5). Briefly, these criteria were:

1. Mother received WIC services at least three months prior to delivery.
2. Infant received WIC services for at least the first year of life.
3. Infant had an older sibling (1 - 2 years older) who was on WIC, but did not receive WIC services during the first year of life (because WIC services were not available).
4. Both siblings were single births.

Of the 27 families that were identified as meeting those criteria in 1974, 21 families were located, in 1980, living in the same area. All of the families agreed to participate in the study. This gave a total study population of 42 children.

Dr. Lou Hicks, Psychological Consultant for the Health Department, did the testing and review of records. Results of the tests are discussed in the paper (Attachment 5).

Due to time constraints today, I would like to highlight just two of the findings. As background, note that the graphic display in Attachment 6 shows that the brain's "growth spurt" - an increase in rate of growth - occurs during the last few months of prenatal development and during the first year of life. Our study contrasts between groups of children who received nutritional supplementation during this period of rapid brain growth and those who did not.

The I.Q. scores, determined by using the Wechsler Intelligence Scale for Children - Revised (WISC-R), were adjusted by the Sociocultural Scales developed by Mercer. The resulting scores are described as Estimated Learning Potential (ELP). Many consider the ELP to be a less culturally

biased estimate of ability than the I.Q.

The difference in the ELP between the two sets of siblings is astounding, and it is highly significant (Attachment 7). The difference is 17.75 points. The early supplemented group had an average score of 103.9 while the late supplement group average is 85.15. The ELP average is 100. Thus, the average for the early supplement group is slightly above the norm. This difference between the two groups is also mirrored by a significant difference in school grades.

It is also interesting to note that based upon a behavior problem checklist, which was administered to each mother for her two children to measure adaptive behavior in the home setting, the late supplement group had more behavior problems (Attachment 8). All these differences are not only statistically significant, but they are educationally significant.

If we look at the ELP scores and projections on needed educational programs and their cost, again we have a very positive cost/benefit ratio for the children in the early WIC supplement group (Attachment 9).

If we can suppose that the difference between these small samples of children with early and delayed WIC benefits can be extended to large groups of similar children, the educational implications are considerable. In a group of 100 children, with an average ELP equal to the late supplement group, you would expect 10 children to need special education; while in a group of 100 children with an average ELP equal to the early supplement group, you would expect only one child to need special education. The cost for special education is almost double the cost of regular education.

Perhaps equally or more important are some observations or feelings about WIC services. I would like to include just three testimonials. A mother told a nurse in one of the study parishes during the early days of WIC, "This baby is just more alive than his older brothers and sisters." Another mother said, "This is the happiest baby I have ever had." Recently, I was in the parish in the northeast corner of the state. The regional medical director, who is a pediatrician, and I were talking in the waiting room and looking at the group of about 40 infants/children and their caretakers who were there for a child health conference. The medical director said, "Just look! There is not a puny child out there! And we know that the reverse was true a decade ago."

I believe that if any other health professional from our Health Department could have been here today, they would have given you the same message, perhaps in other words. But we all believe in the WIC Program and feel that it is a strong component of our total health program. Our main concern is that we cannot meet the needs of all our people. Our funding level restricts the extent of our WIC services. We are only serving about 50 percent of our estimated need. Even though legislation allows WIC services to be provided to families up to 185 percent of the poverty level, we have had to use 150 percent of the poverty level as our ceiling for the last few years as one means of caseload management. We have had a freeze on enrolling new patients in Priorities III-VI since the last week in October, 1982. In spite of this, because of increased needs in our state, our WIC participation has continued to grow. As of Monday, we had to put a total freeze on enrolling any new patients in our WIC Program.

ATTACHMENT 1

LOUISIANA WIC FACT SHEET
January, 1983

1) What is WIC?

WIC is the Special Supplemental Food Program of Women, Infants and Children, administered by the U. S. Department of Agriculture, as mandated by Congress in Public Law 95-627. The purpose of the program is to provide needed health services, nutrition education and a nutritious food package to persons who are most susceptible to malnutrition (pregnant and breast-feeding women, infants and young children).

2) Who is eligible for WIC?

Pregnant, postpartum and breast-feeding women, infants and children under age five are eligible for WIC if they: are at nutritional risk, meet financial eligibility requirements and are receiving health services in a city or parish health unit which provides WIC services, or prenatal clinic at Charity Hospital, or receiving health services at New Orleans Health Corp.

3) Where are WIC services available?

WIC is available in 63 parishes in Louisiana. Plaquemines Parish does not offer WIC services.

4) What foods does WIC provide?

WIC provides a food package that is rich in five nutrients: Vitamins A and C iron, calcium and protein.

Women and children receive fluid milk, evaporated milk, instant non-fat dry milk, natural cheddar or American cheese, eggs, Vitamin C rich fruit juices and iron-fortified cereal.

Infants up to 1 year of age receive (depending on age) iron-fortified infant formula, infant cereal and infant fruit juices.

5) What are the health benefits of the WIC program?

WIC recipients receive health services and nutrition education in addition to the food package. The combination of these services and the food package has resulted in improved health status in the population served including: reduced incidence of anemia, reduction in number of newborns with low birth weights, low infant mortality rates, and increased levels of immunization.

6) How many people receive WIC services?

Approximately 70,000 people are currently receiving WIC services. The current WIC budget is approximately 34 million dollars.

7) How does a person enroll in the WIC program?

Any interested person should contact one of the above health providers in her parish of residence for an appointment to be screened for services.

ATTACHMENT 2

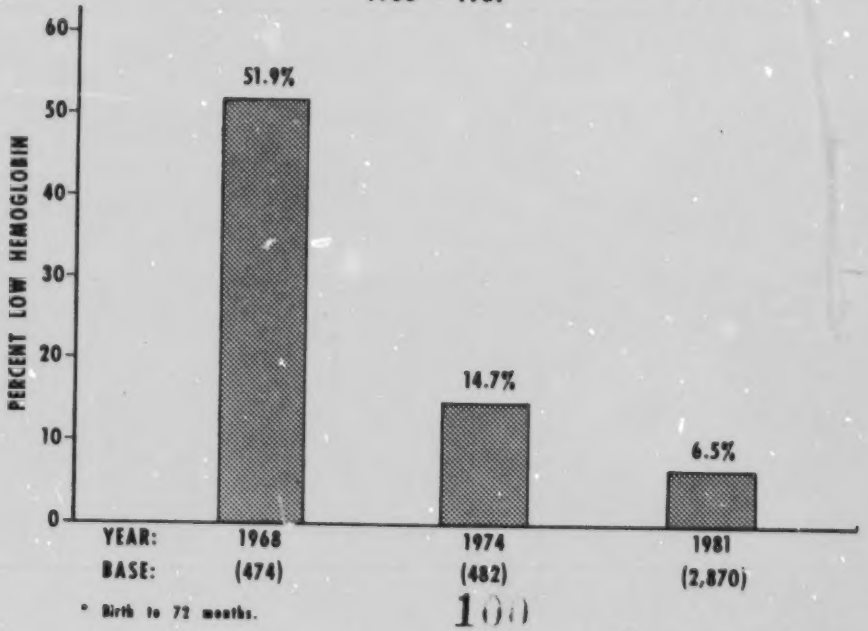
HEALTH BENEFITS OF WIC PROGRAM

1. Reduced incidence of anemia.
2. Improved growth patterns among infants and children.
3. Reduction in number of newborns with low birth weights. (The percent of low-birth-weight babies is almost twice as great among women enrolled in WIC after delivery as it is among women enrolled in WIC more than 3 months prior to delivery. See table below.)
4. Lower infant mortality rates.
5. Maternity patients seek prenatal care earlier in pregnancy.
6. More maternity patients have acceptable weight gains during pregnancy.
7. Fewer missed appointments at clinics.
8. Increased levels of immunization.
9. Improved dietary patterns.
10. More mothers breast-feeding.
11. Increase of I.Q. by approximately 16 points and a decrease of behavior problems among children born to mothers on WIC during pregnancy versus children put on after one year of life, according to the Sibling Study done by Lou Hicks, Ph.D.

INCIDENCE OF LOW BIRTH WEIGHTS AMONG CHILDREN BORN TO WIC MATERNITY PATIENTS (1979-1981)

	WHITE	BLACK	OTHER	TOTAL
Enrolled After Delivery				
Total examined	2,160	3,971	83	6,214
% 5½ lbs. or less	9.8%	14.3%	12.0%	12.7%
On WIC 3 Months or Less				
Total examined	1,266	3,496	47	4,809
% 5½ lbs. or less	7.1%	13.4%	12.8%	11.7%
On WIC More Than 3 Months				
Total examined	1,713	5,252	43	7,008
% 5½ lbs. or less	5.3%	8.4%	4.7%	7.6%
TOTAL				
Total examined	5,139	12,719	173	18,031
% 5½ lbs. or less	7.6%	11.6%	10.4%	10.4%

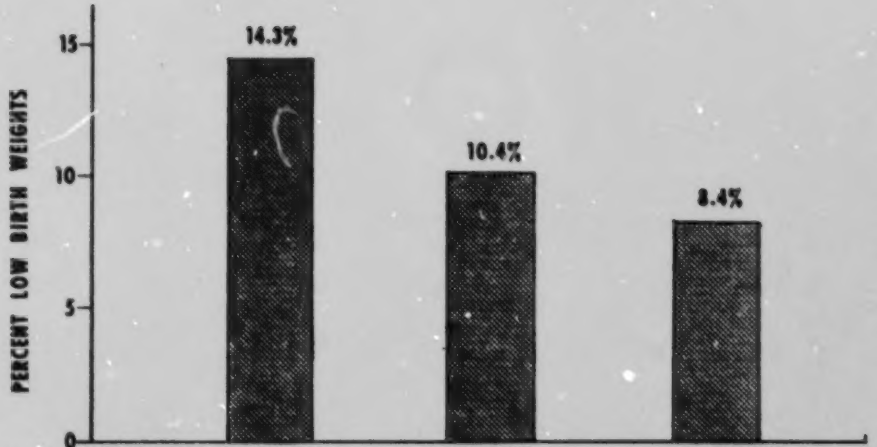
LOW HEMOGLOBIN LEVELS AMONG PRESCHOOL* CHILDREN IN LOUISIANA 1968 - 1981



* Birth to 72 months.

ATTACHMENT 3

LOW BIRTH WEIGHT AMONG CHILDREN BORN TO WIC MOTHERS* 1979 - 1981



* Black patients only.

ATTACHMENT 4

AMERICAN JOURNAL OF Public Health reprint

ATTACHMENT 5

Cognitive and Health Measures Following Early Nutritional Supplementation: A Sibling Study

LOU E. HICKS, PHD, ROSE A. LANGHAM, DRPH, AND JEAN TAKENAKA, MD, MPH

Abstract: A battery of cognitive measures, an adjustment measure, and multiple health indices were obtained for sibling pairs who differed in the timing of their participation in the Special Supplemental Food Program for Women, Infants, and Children (WIC) several years earlier, with participation during the perinatal period occurring for one sibling, but after one year of age for the other. Results indicated that the perinatally supplemented group showed significant enhancement of most intellectual and behavioral measures in the current home and school setting, including IQ, attention span, visual-motor synthesis, and school grade-point average when compared with the group supplemented later. Of the health assessments, most trends were in the expected direction, but only height for age values were significantly different for the two groups. (*Am J Public Health* 1982; 72:1110–1118.)

Most studies of the effects of malnutrition or nutritional supplementation on children's intellectual and adaptive functioning have involved moderate or severe protein-calorie malnutrition in third world countries.[1-3] Some studies suggest that maternal nutritional status in western nations has measurable effects, both on maternal health indicators[4] and on infant birth weight and head circumference.[5-8] A further link between such infants' birth weight and/or head circumference and subsequent cognitive functioning has usually,[9-11] but not always,[12] been reported, in large sample studies.

The purpose of the present investigation was to examine the possible impact of a supplemental food program provided during the perinatal period upon cognitive functioning approximately five to seven years later. The portion of the perinatal period during which special supplementation occurred corresponded to the brain "growth spurt" period,[13-15] that occurs during the final trimester of pregnancy and a postnatal period of roughly 6 to 12 months.

The group of children studied here did not meet standard criteria of malnutrition; they were drawn from a population in which visible signs of deficiency syndromes are rare.[16] The group studied met nutritional "risk criteria"[17,18] such as a history of anemia or low weight for height in the case of children, or in the case of pregnant women, frequent pregnancy, young or old maternal age, anemia, or high weight for height.

The sample participated in the national Special Supplemental Food Program for Women, Infants, and Children (WIC), which is available to low-income pregnant women and preschool-aged children. Food supplements, nutritional counseling, and health monitoring are provided. Infants under one year of age are provided iron-fortified formula, iron-fortified cereal, and vitamin C-rich fruit juice; one to five-year olds and pregnant women are given milk, eggs, cheese, iron-fortified cereal, and vitamin C-rich juices. Earlier investigations have indicated that maternal participation in the program has salutary effects upon several health measures, including infant birth weight.[18,19]

Because the results of many investigations of nutrition are clouded by the covariation of nutritional and social factors,[1] the present investigation employed siblings for the comparison group. In three published investigations in this field,[2,20,21] the sibling control design has been possible; all of these studies evaluated the cognitive sequelae of severe malnutrition. Each of these studies found significant cognitive malfunctioning following severe malnutrition when validated ability measures were used. (Evans and associates[21] found no effects for one unvalidated ability measure.) All of these earlier studies employed small samples; modest samples are generally associated with the paired sibling control design. However, the degree of precision, and statistical power afforded by this type of design, which obviates the need for sometimes questionable covariance analyses,[22-25]

From the Louisiana Office of Health Services and Environmental Quality, where Dr. Hicks is a Psychological Consultant, Dr. Langham is Director of Nutrition Services, and Dr. Takenaka is a Pediatric Consultant. Dr. Takenaka is also on the faculty of the Community Medicine Program at Tulane Medical School. Address reprint requests to Lou E. Hicks, PhD, Personal Health Services, Office of Health Services and Environmental Quality, P.O. Box 60630, New Orleans, LA 70160. This paper, submitted to the Journal October 30, 1981, was revised and accepted for publication May 12, 1982.

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with the host of familial variables known to be correlated with children's ability, permits the detection of reliable differences between groups even when only modest samples are available.

Method

Sample

The population consisted of sibling pairs from three rural Louisiana parishes (counties) when the WIC program had operated since early 1974. Both of the siblings in the potential sample received WIC services, but one member began the supplemental feeding program after one year of age (Late Supplement) while the other was supplemented during the third trimester of pregnancy, continuing through at least the first year of life (Early Supplement). Since no within-family exclusions were made when the program was initiated, this selection procedure introduced an age difference between the Early and Late Supplement groups, with the Late Supplement case always the older member of the pair. Because age and birth-order differences were thereby introduced, three stable, rural parishes in Louisiana were chosen, where no new educational or stimulative programs had appeared to which the two siblings might have been differentially exposed. Another criterion for pair selection was that approximately two years of age should separate the sibling pairs, and that both members of the pair should have had some school experience. Only full siblings were included; twins were excluded. The ages of children which met all the study criteria averaged 75.9 months for the Early Supplement group and 106 months for the Late Supplement group when tested.

A total of 27 pairs of siblings met all study criteria and resided in three different rural parishes. Of the 27, 21 pairs were located, and the parents of all located children agreed to participate. There were 12 same-sex pairs and nine different-sex pairs. Twenty-one children were Black males, 17 were Black females, two were White males, and two were White females. The Early Supplement group contained nine females and 12 males; the Late Supplement group, eight females and 13 males.

In four of the pairs, the siblings were not of adjacent parity; in the remaining pairs parity was adjacent. Average parity (obtained from birth certificates) was 1.8 for the Early Supplement group, and 2.5 for the Late Supplement group. Parity in the sample ranged from one to 15; among the participants there were 11 first-born, 13 second-born, and nine third-born children; the remainder were of higher parity. Eighteen of the 21 mothers were married at the time the children were born.

The Early Supplement group had participated in the WIC program for an average of 56.1 months; the Late Supplement group, for 30.8 months. Equal numbers of children in the two supplement groups had participated in preschool educational programs, and there were no within-pair differences in exposure to such programs (Head Start was the only pre-kindergarten educational program available). Because of the small size of the towns and villages in the locales chosen, often only one to three teachers were available to children at any grade level. In many cases, each member of the pair had had the same teacher in kindergarten and/or first grade.

Measurement

Two measures were obtained from the mother of the two siblings. The Behavior Problem Checklist* was administered as an index of adaptive behavior in the home setting. The Sociocultural Scales developed by Mercer* were also utilized. These scales* permit the computation of an Estimated Learning Potential (ELP) for each child by "correcting" the IQ score from the Wechsler Intelligence Scale for Children—Revised (WISC-R). Both the scores of the Sociocultural Scales and the ELP have separate norms for the various races; the ELP is believed by many to be a less culturally biased estimate of ability than the WISC-R.

The complete WISC-R was administered to each child. The Optional Digit Span subtest of the WISC-R was also administered as a measure of immediate auditory memory. Two measures of visual perceptual-motor development were obtained since an earlier investigation suggested that this specific ability might be particularly vulnerable to malnutrition-induced damage.* These two measures were the Developmental Test of Visual-Motor Integration* and the Draw-A-Person test, scored by the Goodenough-Harris* method. All of these measures were administered by the first author. In addition, one blind measure of cognitive achievement was obtained: school grades in reading, writing, and arithmetic. These grades were converted to a grade point average.**

Finally, multiple blind health-related measures were obtained from public health clinic records, including the height, weight, and hemoglobin measures regularly obtained on participants in the WIC program. These data were recorded in terms of the percentage of clinic visits on which the measures were deviant. For anemia this deviant value was a hemoglobin below 11 gm/dl or a hematocrit below 34 per cent. Deviant height for age values fell below the 10th percentile; deviant weight for height values fell either below the 10th percentile or above the 90th percentile. These health measures were recorded when each sibling in the pair was between zero and 5 years of age, during the period of WIC eligibility. Information about periods when the family had been on AFDC was obtained from health clinic records. Birth weights and APGAR values were obtained from hospital records that had been transmitted to the health clinic.

Results

Several characteristics that do not differ between the

*These scales assess four familial variables found to be most closely associated with cognitive functioning of children in the school setting. Attitudinal variables are considered along with economic, environmental, and educational measures, weighted according to the degree of relationship to IQ, and referred to appropriate racial norms.

**A = 4 points, and B, C, D, and F correspond to 3, 2, 1, and 0 points, respectively.

103 .01

TABLE 1—Cognitive, Adjustment, and Health Measures for the Early and Late Supplement Groups

Measure	Means: Early	Late	F test	Probability
Cognitive Measures*				
Verbal ELP**	107.40	90.20	35.40	0.00001
Performance ELP**	99.55	86.30	16.04	0.008
Full-Scale ELP**	103.90	86.15	39.62	0.000005
WISC-R Verbal IQ	89.86	76.00	29.89	0.00002
WISC-R Performance IQ	85.09	74.76	13.10	0.002
WISC-R Full Scale IQ	86.43	73.38	30.57	0.00002
Digit Span	8.85	6.90	7.18	0.014
Visual-Motor Integration	87.33	86.43	0.06	0.80 NS
Draw-A-Person	90.38	78.80	6.91	0.016
Grade Point Average—First Year	2.57	1.67	17.16	0.0006
Overall	2.57	2.05	6.75	0.017
Adjustment Measure				
Behavior Problem Checklist—Total	4.67	7.62	4.76	0.036
Health Measures				
Birth Weight (gm)	3,181.22	3,066.47	0.85	0.368 NS
Head Circumference (cm)***	35.24	34.28	0.00	0.999 NS
APGAR: 1 Minute	8.56	8.72	0.07	0.792 NS
5 Minute	9.61	9.89	1.18	0.293 NS
% Visits Height for Age Deviant	1.80	9.34	4.88	0.042
% Visits Weight for Height Deviant				
<10th Percentile	0.82	3.42	1.35	0.258 NS
>90th Percentile	1.81	0.79	0.93	0.363 NS
% Visits Anemic****	14.25	17.42	0.48	0.639 NS
Average School Absences*	7.90	10.00	1.32	0.264 NS

*Abbreviations used are: ELP, Estimated Learning Potential; WISC-R, Wechsler Intelligence Scale for Children—Revised; Average School Absences = days/year.
**Values were available for only 20 pairs.
***Values were available for only 16 pairs.
****Hematocrit <34 or hemoglobin <11.

paired siblings, portray a group which does not differ markedly from the United States poor population, except in degree of urbanization. All were low-income and 48 per cent of the sample had received AFDC welfare at one time or another; 32 per cent were welfare recipients at the time the children received cognitive assessments. Average maternal education was 11.2 years. Chi-square analyses of these AFDC and maternal educational variables, as well as of the childrens' sex distribution between the two Supplement groups showed no significant differences. Additionally, correlations between the sex variable and the criterion variables noted below were not significant.

The most common nutritional risk criterion leading to entry into the WIC program was anemia, in the case of both mothers and children. None of the children in the sample had very low birth weight or known neurological damage. Birth weights ranged from 1,843 to 3,884 grams for the Early Supplement group, and from 2,268 to 4,423 for the Late group. There were two children under 2,500 grams in the Early Supplement group, and five under this value in the Late group. This low birth weight rate in the sample approximates that for the non-White births in public hospitals in Louisiana, 1972–1974.[9, 10]

On the Mercer Family Size Scale, where low scores are associated with higher achievement, the sample's average percentile was 41. On the remaining scales, where high scores are correlated with high achievement, this sample's percentiles were as follows: Family Structure, 51; Socioeconomic Status, 41; Urban Acculturation, 27. Since most of the children in the sample were Black, most scores were referenced to Black norms on the various Sociocultural Scales.

The major results of the study are summarized in Table 1, where data on the various cognitive, adjustment, and health measures are presented separately for the Early and Late Supplement groups. With one exception, all of the cognitive measures yield highly significant between-group differences.

Significant between-group differences do not appear for the Visual Motor Integration test, which differs from the other visual-motor measure, the Draw-A-Person test, in that it presents copying tasks only. The Draw-A-Person test requires visual memory and visual synthesis. Evans and associates[11] reported that this measure was more sensitive to nutritional group differences than their (unvalidated) general ability measure.

The strongest effects appear for the Verbal portions of the WISC-R IQ (and the correlated Verbal ELP), and the first grade level grade point average. Each of the ELP skill-areas, as well as the full-scale ELP, are normed such that each race's average is 100. Thus, the Verbal and Full-Scale

TABLE 3—Correlation Coefficients between Variables on Which Children Systematically Differ (Age, Maternal Age, Supplement Status) and Major Cognitive Criterion Variables*

	ELP	GPA	Age	Parity	Maternal Age	Supplement Status
WISC-R	.583****	.596****	-.482****	.012	.186	.562****
ELP		.451****	-.539****	.061	.193	.621****
GPA			-.280**	-.178	.076	.397***
Age				.230	.258	.962****
Parity					.800****	.224
Maternal Age						.215

*All correlations used are: ELP, Estimated Learning Potential; GPA, Grade Point Average in first grade; Age, Child's Age at Testing; Maternal Age, Maternal Age at each child's birth; WISC-R, Wechsler Intelligence Scale for Children—Revised. ELPs were available for only 20 sibling pairs. Supplement Status: Late = 1, Early = 2; values assigned.

**p < 0.05
***p < 0.01
****p < 0.001

ELPs are somewhat above racial averages for the Early Supplement group. All scores are below the national average to which the WISC-R is referenced, but the Late Supplement group is far more impaired in functioning than the Early Supplement group. When raw data were examined for the sibling pairs, the Early Supplement member displayed the higher IQ and ELP score on 19 of the 21 comparisons.

The pattern of differences on the 10 subtests of the WISC-R was examined. Differences were somewhat smaller on the five Performance-area subtests than on the five Verbal subtests, as indicated by the size of the overall Verbal IQ and Performance IQ differences in Table 1. The two groups were approximately equal on the Object Assembly subtest in the WISC-R Performance area battery. This subtest requires construction of puzzles of familiar objects. Aside from this subtest, there are no clear indications of similarity between the two groups: the Early Supplement group displayed a consistent superiority on the other nine WISC-R subtests.

By virtue of the sibling control design, the two Supplement groups were either closely matched or identical on a number of variables that have been shown[32, 33] to predict childrens' IQ. These variables would include maternal IQ, maternal education, paternal IQ, paternal education, family income group, race, socioeconomic status, parenting style, books and materials in the home, general nature of the extended family. It is possible that the two nutritional groups systematically differed (because of the age difference) on other, unassessed variables.

Table 2 displays correlations of variables on which the two Supplement groups systematically differ (the child's age at testing, maternal age at each childbirth, and parity***) These variables are correlated against the major cognitive criterion variables (WISC-R Full-Scale IQ, Full-Scale ELP, and first year Grade Point Average). The three cognitive criterion variables are significantly positively correlated, as would be expected. Parity and Maternal Age at childbirth are not significantly correlated with Supplement Status, nor do they correlate significantly with the cognitive criteria. The systematic age difference between the two Supplement groups is however, very highly correlated with the dichotomous Supplement Status criterion, and yields significant negative correlations against each of the three major cognitive criterion variables.

In addition to the nutritional group differences on the cognitive variables shown in Table 1, there was also a significant difference between the two Supplement groups in total scores on the Behavioral Problem Checklist.[34] None of the five separate scales yielded significant differences, but the largest difference appeared on the Conduct Problem scale, which assesses tendencies to high activity levels, short attention span, impulsiveness, and aggressiveness.

Of the health measures available, only height for age yielded significant differences. As noted earlier, the three measures involving a percentage of visits are summary measures, indexing the percentage of clinic visits on which the measures were deviant values. Most of the health measures display trends in the expected direction.

Discussion and Conclusions

Behavioral Measures

In order to interpret the differences between the two Supplement groups on the cognitive variables, one must exclude the possibility that group differences result, not from nutritional supplement timing differences, but rather from differences on correlated variables. The design of the study introduced (insignificant) correlations between Supplement Status and both Parity and Maternal age; the latter two variables were not, however, significantly related to the cognitive criteria. The child's Age at testing does, however, show significant negative correlations with the three major cognitive variables; these are only slightly lower in absolute

***The term, parity, alludes to ordinal birth sequence including children who did not survive. Parity was obtained from birth certificates.

value than the positive correlations between Supplement Status and these same variables.

One approach to the question as to the best predictor involves partial correlation analysis. As Table 2 indicates, the simple correlation between Supplement Status and WISC-R IQ is 0.562 ($p < .001$). The partial correlation between IQ and Supplement Status was calculated, removing the effects of the Age variable. The resulting partial correlation, 0.424, remains significant ($p < .01$) when age effects are removed. A similar partial correlation was calculated for ELP scores. The age-controlled partial correlation of ELP scores and Supplement Status is 0.446 ($p < .01$). It was not appropriate to execute a partial correlation for the Grade Point Average correlation coefficient shown in Table 2, since this Grade Point Average represents the grades obtained when both siblings were in the first grade, and age-matched.

The partial correlation analyses executed with the ability test scores may not, however, be fully persuasive since they indicate that a considerable portion of their variation is predictable from the age variable as well as from the nutritional variable. A consideration of the existing literature on the characteristics of IQ scores and their typical relationship to the age variable might be helpful at this point.

One should bear in mind that IQ scores are age-corrected scores. Although present-day individually administered IQ tests, including the WISC-R,[14] use more sophisticated age corrections than the simple mental age/chronological age ratios used with the first IQ tests, the developers of these measures focus their statistical efforts on developing items that reliably reflect differences in performance *within* a particular chronological age group, so that the scores reflect ability differences independently of age. Thus if the significant negative correlations between the WISC-R (and the related ELP) depicted in Table 2 were "true" correlations—even for the special poverty-level rural sample studied—one would have evidence that the age corrections based on the national random sample are totally inadequate for this special sample.

There is evidence, however, that "the ELP" and the WISC-R[14,15] yield scores for disadvantaged elementary school students that are highly reliable, stable,[16] and which regularly correlate significantly with appropriate criteria. The high stability coefficients are dependent on removal of age effects, so that there is neither a notable positive nor a notable negative correlation with age. If IQs changed as a function of age, the scores would not correlate highly from one occasion to another.

The behavioral science literature has, however, reported several large-scale investigations where parity is slightly negatively related to IQ, or to other ability measures. Parity is always negatively correlated with the child's age and positively correlated with maternal age at childbirth; the latter is negatively related to the child's present age. These relationships are depicted on the abscissa of Figure 1.

Generally, the research reports relating parity to ability measures have indicated that [except for only children] early-born children average slightly higher on ability measures than later-born children."[17] The effect is a joint function of parity and family size. The relationship is slight but now fairly reliably established. The effect, shown schematically in Figure 1, appears more strongly for cognitive measures such as school grades than for IQ test scores.[18] A reversal of the Figure 1 relationship between the abscissa variables and cognitive measures has not been reported in study samples functioning within broadly normal situations, or when malnourished.[19] Thus, it seems likely that the significant negative correlations appearing in Table 2 for the Age variable are simply an artifact of the study design, where Early and Late Supplement groups were deliberately selected so that the latter group was about two years older than the former.

Although it is highly unlikely that age differences operated to produce the results shown in Figure 2, one must consider the possibility that other factors operated systematically on the Late Supplement sibling in a deleterious manner, or on the Early Supplement sibling in a salutary manner, so that the present data could be attributed to factors other than nutritional ones.

One possibility is severe stresses operating on the Late Supplement group. Emotional problems, when severe,[20] have been found to be associated with large shifts in IQ level. Although the magnitude of the difference between the two groups on the Behavior Problem Checklist[21] is less than the magnitude of the difference on other behavioral measures, it is possible that the differences in adjustment between the two groups contribute to the differences on ability measures. If the adjustment differences result from external stresses (in three geographical locations) on the older children, then non-nutritional environmental factors are operative. It should be emphasized, however, that emotional problems are stated[20] to influence IQ levels only when severe. Only three of the children (one Early and two Late Supplement members) had scores sufficiently high to warrant referral for diagnosis.

Another explanation for the obtained differences on grounds other than nutritional differences rests upon the possibility that the childrens' environment could be characterized as extremely deprived socially, economically, and in other ability-relevant dimensions. Two published investigations,[17,22] have reported an obscuring of the parity relationship, shown in Figure 1, by an age relationship. They report that childrens' IQ declined with increasing age, presumably as a function of exposure to the extremely poor environment. The children in one of the studies[17] were the offspring of young mentally retarded welfare mothers, and in the other,[22] isolated, malnourished Appalachian children in the 1940s.

The authors of the present study administered the standardized Mercer Sociocultural Scales[23] in order to determine whether the present disadvantaged children fell at the extreme on sociocultural deprivation. As noted in the Results section above, the sample's average fell between the 41st and the 51st percentile on all Sociocultural Scales except Urban Acculturation, suggesting that the participants are not an extremely deprived group, and are thus not comparable to the two samples in the literature where age-related cognitive deficits were detected.

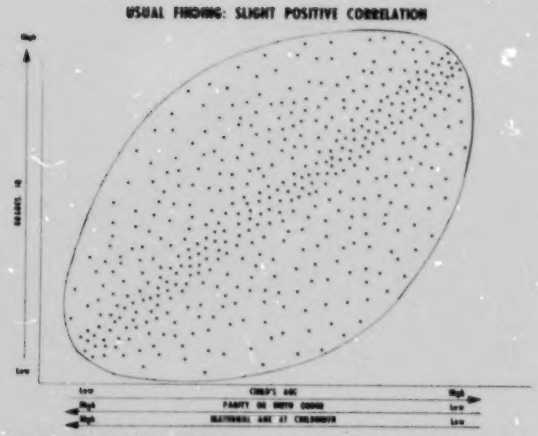

FIGURE 1—The Usual Finding: Ability Measures Correlate Positively with the Child's Age, Negatively with Parity, and Negatively with Maternal Age at Childbirth, or are Uncorrelated

There are many possible environmental differences between the two Supplement groups; most, however, have not been reported to correlate with changes in ability measures such as individually-administered IQ tests. Although one cannot rule out the possible influence of other, unassessed variables, the present authors believe that it is probably important that the timing of the nutritional supplementation varied between the two groups, coinciding with the brain growth spurt for the Early Supplement group. However, the two groups do also differ in total supplementation amount, with the Early group receiving supplementation for approximately two years longer than the Late group. And, although the variable label has emphasized nutritional supplementation, it should be clearly noted that the WIC program does not consist solely of nutritional supplements; medical monitoring and nutritional counseling are also provided. It has been reported[37] that maternal nutritional counseling alone has a beneficial effect upon the health status of children, as indexed by measures such as birth weight.

Health Measures

In the present investigation, there were not significant differences in birth weights between the two nutritional groups. The trend toward higher birth weight in the Early Supplement group can be accounted for by the fact that the Early Supplement sibling is always of higher parity; birth weight generally tends to increase with increasing parity.[38]

Infant birth weight has been found on multiple occasions[39-40] to correlate with subsequent cognitive functioning when very large samples are examined. The relationship between these two variables may, however, not be linear: the impact of birth weight on IQ is certainly most noticeable in the case of the very low birth weight (< 1500 gm) infant.[39] None of the children in the present sample had very low birth weight. The truncation of the range in birth weight perhaps accounts for the failure to replicate the modest relationship between birth weight and ability scores that has been reported by other investigators.

Of the health measures assessed, only height for age yields significant differences between the supplemented groups. Height for age is traditionally interpreted to represent an index of long-term nutritional status; it responds less quickly than either weight for height or anemia to nutritional interventions.[26] Sulzer, *et al.*,[26] found that groups of children selected for extremes on anemia differed on measures of general cognitive functioning; this effect was magnified, however, when children were further selected for slow physical growth.

The possibility should be noted that statistical effects could have operated to produce this result. To the extent that the participating family became eligible for WIC because the older (Late Supplement) child was of low height for age, simple statistical regression effects could account for the fact that the younger (Early Supplement) sibling was less deviant in height. The WIC eligibility records were examined for this possibility. Deviant height for age is noted as one of

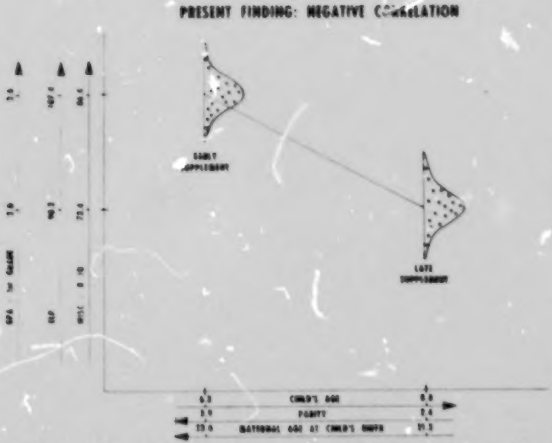

FIGURE 2—The Present Finding: Ability Measures Correlate Negatively with the Child's Age, and Do Not Correlate Significantly with Parity or Maternal Age at Childbirth

the qualifying risk factors for only one of the 21 children in the Late Supplement group. This child's paired Early Supplement sibling also displayed deviant height for age during his period of WIC eligibility, so that it could not be said that regression to the mean suffices to account for the difference between Supplement groups on this variable.

Relationship to Other Studies

The present study, performed on a "low-income population with documentation of nutritional risk," suggests that nutritional services may impact upon later intellectual functioning and behavioral adjustment. This finding is generally compatible with other studies in the literature. A study by Rush, *et al.*[11] executed on a sample of poor urban Black children in New York found that three of seven behaviors said to indicate desirable outcomes in one-year-olds correlated with high protein supplementation, although, as in the present investigation, there was no correlation with birth weight. These authors found no correlation between prenatal supplementation and infant scores on the Bailey Infant Development Scales. Since infant developmental scales, including the Bailey Scales, are considerably less stable[30] and less valid than individual IQ tests administered to older children, the Rush, *et al.* study cannot be said to be incompatible with the present findings.

Earlier investigators[28,31] had expected that mild malnutrition, or simple anemia, would not be a variable of sufficient magnitude to have an impact upon general measures of cognitive development, such as IQ. The results of this study are comparable with the results actually found by these earlier investigators.[28,31] Contrary to expectation, nutritional status related most clearly to non-dynamic language measures and global IQ. Since the present investigation controlled for home environment through the sibling design, rather than through subject matching and covariance analysis, the present results provide additional support for the finding.

There are, of course, some matched-subjects or randomized design studies of nutritional intervention in third world countries where the results on cognitive measures were either null[32] or were ambiguously reported.[33] Nutritional intervention in this country[34] has also failed to correlate with school achievement, particularly when the intervention was begun when the children were of school age, and where achievement was assessed with group-administered tests.

It would aid in interpreting the results of the present investigation if the study could be replicated in an urban setting, if a sufficiently large sample would be studied so that the statistical effects could be examined separately for families of different sizes, and if siblings could be followed who received nutritional supplements that began at different, precisely defined antenatal and postnatal points. An investigation contrasting supplemented siblings with never-supplemented siblings would be of particular interest. All data should, of course, be collected, summarized, and analyzed blindly. Meanwhile, the present positive findings add an

increment to the body of research in this complex, intriguing field.

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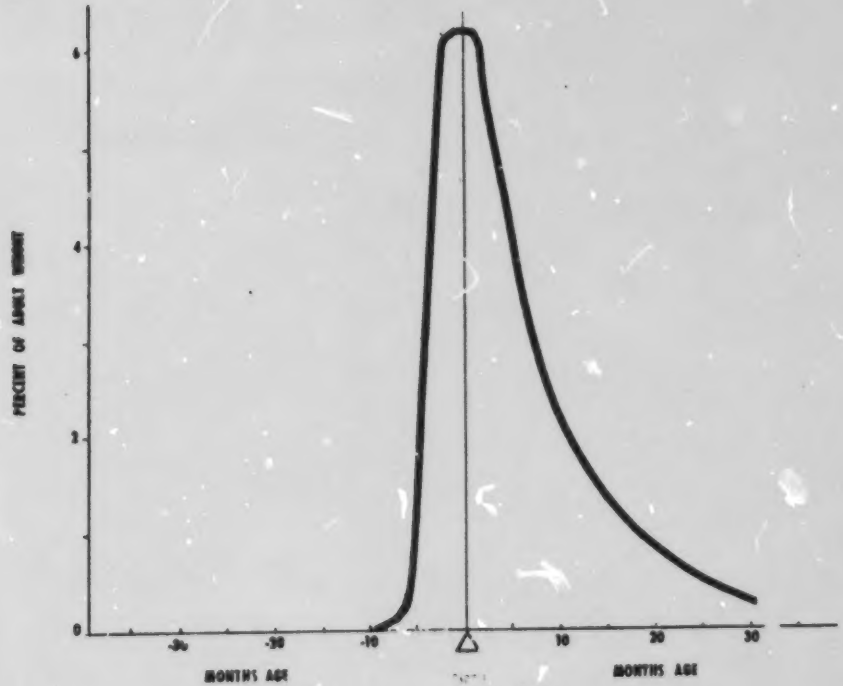
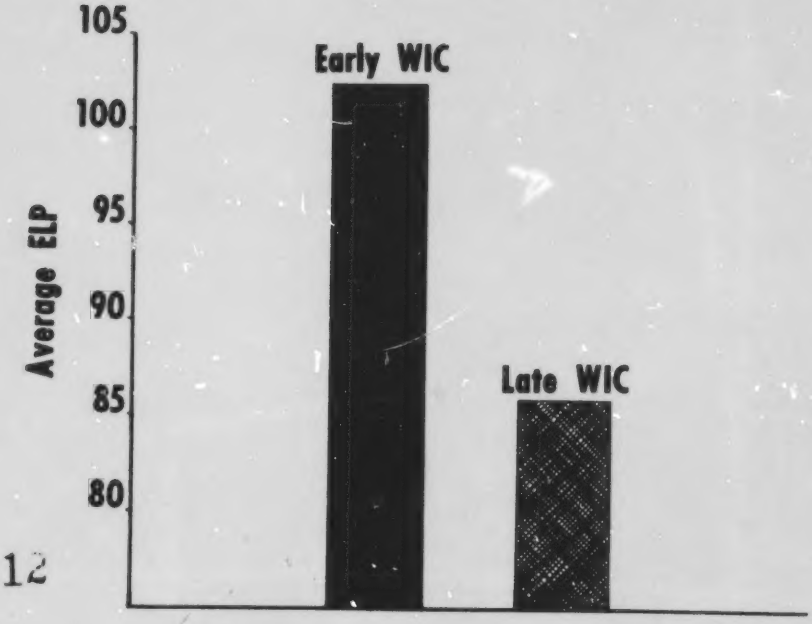
VELOCITY OF HUMAN BRAIN GROWTH FROM DOBBING, 1974



ATTACHMENT 6

ESTIMATED LEARNING POTENTIAL (ELP) FOR THE TWO WIC GROUPS



ATTACHMENT 7

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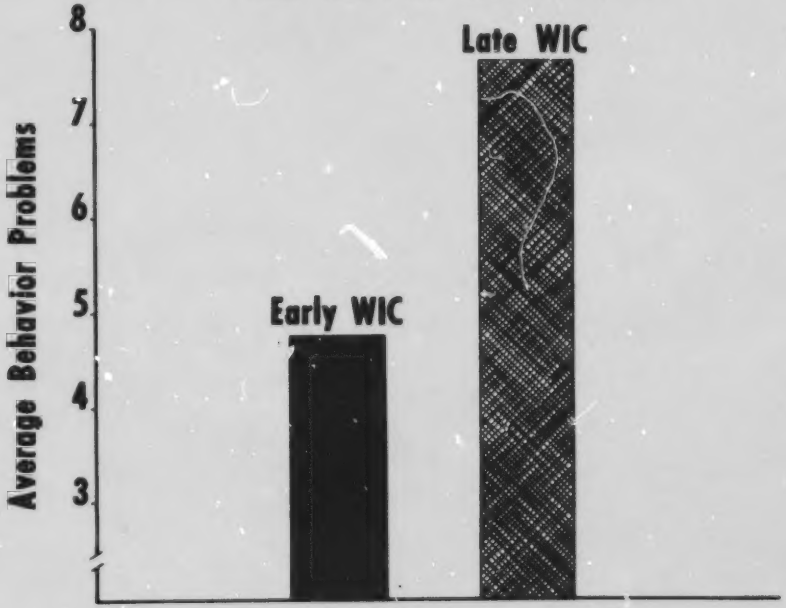
REPORTED BEHAVIOR PROBLEMS FOR THE TWO WIC GROUPS



ATTACHMENT 8

ATTACHMENT 9

Public Education in Louisiana--
One Aspect of WIC Cost-Effectiveness

Learning disability among school-age children in Louisiana imposes a severe burden on the State's financial resources under a legislative act passed in 1977 (Act 754, R.S.: 1941-58) mandating that all children with a learning handicap be given the opportunity to receive a variety of special educational services designed to overcome or lessen their problem. In fiscal 1983, Louisiana is spending $4,900 for each child in the State who receives such special education as opposed to $2,725 per child for all others, or a ratio of almost 2 to 1. Thus, if the 1983 figures are projected to the full 12 years that every child in Louisiana is expected to spend in the State's elementary and secondary school system, then the total cost is $58,800 for the learning disabled (LD) child and $32,700 for the normal child. In fact, the total cost for the LD child could go even higher, since the law provides the opportunity for certain of these children to receive training from shortly after birth through their 21st birthday.

From data developed in the Louisiana WIC Sibling Study (Attachment 5), it is readily apparent that WIC is making a significant contribution to the reduction of costs in Louisiana's public education programs. That study revealed that children who received WIC nutritional supplementation during the critical 15 months of the brain stem "growth spurt" were at a higher average I.Q. level than their older siblings, who did not participate in WIC during that stage. The children in the study were scored by the Mercer Estimate of Learning Potential (ELP), which the Louisiana Department of Education uses as a diagnostic device, and the children who received the early WIC supplementation scored an average of 18 points higher than their siblings. On the basis of these results, certain assumptions can be made about the probable extent of learning disability among Louisiana's WIC-eligible

children. Among every 100 WIC-eligible children who do not receive early nutritional supplementation, it can be expected that about 10 would have scores below 60 on the ELP scale. Such scores are generally accepted as an indication of serious academic disability and would qualify a child for Louisiana's special education services. Among every 100 children who do receive early WIC supplementation, however, only 1 would be expected to score below 60 on the ELP. Thus, it can be said that early nutritional supplementation of WIC-eligible children reduces the level of learning disability (as measured by the Mercer Scale) by 90%.

Translated into dollars and cents these figures show clearly the cost-effectiveness of WIC as far as educational expenditures in Louisiana are concerned. For every 100 WIC-eligible children who do not receive early nutritional supplementation, the cost of 12 years of elementary and secondary education, at the current level of expenditures, would be:

(90 Normal X $32,700) + (10 Special Ed. X $58,800) = $3,531,000.

For every 100 WIC-eligible children who do receive early nutritional supplementation, the comparable educational cost would be:

(99 Normal X $32,700) + (1 Special Ed. X $58,800) = $3,296,100.

However, to this latter figure must be added the cost of the nutritional supplementation during the 15 months of the child's brain stem growth spurt. At the current average cost per WIC participant of $31 per month, this amounts to a total of $465 per child, or $46,500 for 100 children. Thus, the total cost of educating 100 WIC-eligible children who receive early nutritional supplementation is $3,342,600 over a 12 year period -- a savings of $188,400 for each 100 early-supplemented children on the WIC Program. This represents a savings of $157 per child per year. With approximately 22,900 infants estimated to be WIC-eligible in Louisiana, the potential savings in public educational expenditures would amount to a not insignificant sum of more than $3.5 million annually.

Chairman PERKINS. Thank you very much for an excellent statement.

Mr. MILLER. Mr. Chairman, if I could just interrupt, you mentioned, Dr. Langham, that this is a somewhat small study. But, Dr. Kennedy, is this study compatible with the reviews that you have done of other studies in terms of findings? I mean, is it in the same ranges?

Dr. KENNEDY. Well, most of the studies I was talking about related to the prenatal component. Dr. Langham's studies were the child component. Many fewer studies have been done in children because they are much more difficult to do. The direction Dr. Langham has gone in is what we need.

Mr. MILLER. Would that be in the range of what your expectations were, though, from your findings of the prenatal component? Can you extrapolate that with some credibility?

Dr. KENNEDY. Well, Dr. Langham's findings on the decreased incidence of low birth weight are compatible with our findings across a large number of studies. The numbers we are talking about in some of the studies are 6,500 in one study, a little less than 5,000 in another, 1,200 in mine. So there are large sample sizes.

Yes, we find approximately the same effect that she is finding.

Mr. MILLER. Thank you.

Chairman PERKINS. A very good statement.

We will hear now from Miss Keiser.

STATEMENT OF JOANNE KEISER, COORDINATOR, BALTIMORE COUNTY WIC PROGRAM

Ms. KEISER. Mr. Chairman and members of the committee, my name is Joanne Keiser. I am a nutritionist, coordinating the WIC program in Baltimore County, Md. I appreciate the invitation to appear before this committee to discuss the value and success of the nutrition education component which is an integral part of WIC, and I also wish to use this forum to relate the increased community need for WIC due to high unemployment in Baltimore County.

Let me first take a few minutes to describe how a person enters the WIC program. All persons entering WIC must meet specific enrollment criteria established by the USDA. We conduct health interviews and record dietary histories of applicants in order to determine nutritional risk factors. Those persons meeting eligibility are given vouchers valid for specific food supplements. The food package is tailored for the individual both based on nutritional requirements and food preference.

In our county the cost of supplemental foods is low. The monthly food package for a child is $25, and for an infant or a pregnant women, the cost runs about $30. Education is offered to women when they receive their vouchers to help them identify nutritious foods. As a result, women enrolled in WIC can distinguish pure juice products from fruit drinks and iron-fortified cereals from the others. This information will continue to be of value to them after they have left the WIC program.

The Baltimore County WIC program offers an opportunity for women to discuss nutrition issues with qualified health profession-

als. Each certification appointment includes individual counseling by a health educator, a home economist, and registered dietitian. We record the foods eaten in 24 hours and compare this to recommended servings of the food group. The client is engaged in a dialog with the purpose of developing a plan to address specific nutritional risk factors. For example, a child may come in with a low hematocrit reading. At this point the caretaker or mother sits down with the dietitian and discusses what course of action should be taken. WIC will be providing the iron-fortified cereal, but what can the mother do to change his diet at home. The point is the woman would leave the interview with a commitment, with a goal and commitment toward action.

One woman told us that this was the first time that anyone had really listened to her child's feeding problems and helped her sort it all out. Such comments indicate to us that we are providing a desired service.

Nearly one-third of the postpartum women in our local project are breastfeeding. This is high compared with other counties in Maryland. Women who elect to breastfeed are given individual counseling and encouragement. We have learned that support within the first few days after delivery is important to success in breastfeeding.

Group nutrition sessions are scheduled every month, and they cover a range of topics. For example, when beans were added to the food package, we planned a class on bean cookery, and especially for those who had never before used this economical source of protein. Other mothers contributed their recipes which were compiled and distributed. We have had an exceptionally positive response to the foods served at these sessions, and about 86 percent of the women said they would try these foods at home. One mother was surprised to find her son helping himself to second portions of a lentils/rice salad, something he had never even heard of before.

Women have also commented favorably on toddler nutrition programs. Each session has about 15 to 20 participants. It is a short presentation followed by a tasting party. At the conclusion of this session women complete questionnaires to test their understanding of the topics covered. The completed questionnaires serve to document attendance.

Topics for future classes come from the mothers. They are requesting more information about one-dish meals, ways to make vegetables appealing to children, and a whole lot of other parenting concerns.

I have brought some of their class evaluations and comments. If you were to read them, you would see that participants are learning to make informed consumer decisions about foods.

In summary, we are providing practical information that will enable women to continue improved habits long after their eligibility in WIC expires. This is being done in an efficient manner with minimum food costs. The problem is that the number of women who can benefit is so few. Is WIC to be a program only for a select few?

As 1983 begins, we are serving 57 percent more people than we did a year ago. Even so, this is only a fraction of the estimated eli-

gible population. Our funds are sufficient to address only 25 percent of the eligible population in my county.

The 1975 income data used to derive these figures does not reflect current economic conditions in the county, where major layoffs have occurred in steel, auto, and shipping industries. In Bethlehem Steel District 8 alone, there are 3,444 workers on layoff. Health insurance has expired for 2,700 of them. The rate of unemployment since 1975 has doubled. As more people slip into our eligible population, the gap between current funding levels and the economic realities of the county widens.

Another result of the recession and corresponding downturn for WIC has been an increase in the waiting interval for certification appointments. New applicants have to wait approximately 7 weeks to get a certification appointment. Delayed enrollment limits the effect of WIC on pregnancy outcome. As others have testified, a 1980 Massachusetts WIC evaluation reported that participation for 6 months or more during pregnancy was associated with maximum increase in birth weight and better prenatal care.

Under 1983 appropriations, food dollars in Maryland are insufficient to serve our current enrollment. Maryland has initiated waiting lists designed to gradually remove 6,300 from the caseload. We have discontinued enrollment of priority 6—postpartum women who are not breastfeeding—and priority 5—children who are at nutritional risk because of inadequate diets. This changes the preventive nature of the program. Given time, poor nutrition may place these children at a greater degree of risk and in need of remedial care. Women and children in these priorities are on a waiting list. The present level of appropriations precludes them from being served this year, if ever.

Uncertainties about enrollment and waiting lists cause administrative problems. I was in charge of our WIC program in 1981 when we had four priority waiting lists. By the time food dollars became available, so that these people could return to active status, it was difficult to locate them by phone or mail. Public interest waned to the point that social workers and prenatal counselors were no longer making WIC referrals. Enrollment dropped by 12 percent and it took a massive outreach to dispell rumors that WIC had been eliminated.

I am encouraged by the proposed legislation to include WIC funding in the Emergency Jobs Bill, H.R. 1718. I think that a supplemental appropriation this year would benefit the unemployed in my county, especially those who have lost health benefits. WIC brings women into the county-supported renatal clinics where they can receive care. Early identification of high-risk pregnant women, health and nutrition intervention, can improve pregnancy outcome, as Dr. Kennedy has already testified.

The proposed WIC funding for 1984 would not maintain participation levels but would cause further reductions of five percent in Baltimore County. I forecast a 14-percent increase is needed in my budget to respond to the high-risk pregnant women. This doesn't even begin to address the needs of children.

Mr. MILLER [presiding]. Excuse me, if I could interrupt you.

Would you just elaborate on your 14 percent increase and elaborate on exactly the population? There is some discrepancy between

our understanding and the administration as to who you are serving.

Ms. KEISER. Well, we are serving pregnant women, infants and children——

Mr. MILLER. No; I understand that.

Ms. KEISER [continuing]. And our eligible population, our target population was derived using 1980 population statistics——

Mr. MILLER. No, no. Stop.

You just said you needed a 14-percent increase to serve just——

Ms. KEISER [continuing]. The high-risk pregnant women who have come into the pool of eligibles since 1975.

Mr. MILLER. All right. Thank you.

Ms. KEISER. I hope the members of this committee will support a supplemental appropriation for WIC this year, and that this new level will be maintained in 1984.

Thank you.

[The prepared statement of Joanne Keiser follows:]

Prepared Statement of Joanne Keiser Coordinator, Baltimore County WIC Program, Baltimore County, Md.

Mr. Chairran and members of the Committee, my name is Joanne Keiser. I am a Nutritionist coordinating the WIC program in Baltimore County, Maryland. I appreciate the invitation to appear before this committee to attest to the value and success of the nutrition education programs that are an integral part of WIC. I also wish to use this forum to relate the increased community need for WIC due to the high unemployment and to describe the dispair of providing service to one person knowing so many others cannot be served.

Let me take a few moments to explain how a person enters the WIC program. All persons entering WIC must meet specific enrollment criter established by the USDA. Determination of eligibility is the responsibility of WIC personnel. We conduct health interviews and record dietary histories of applicants in order to determine nutritional risk factors. Those persons meeting eligibility are given vouchers valid for specific food supplements. The supplements provided are tailored for the individual both in terms of nutritional requirements and food preference.

In our county, the cost of supplemental foods is low. The monthly food package for a child is $25.38, for an infant , $29.28, and for a pregnant woman, $30.78. Education is also provided to women when they receive their vouchers to enable them to identify the most nutritious foods. As a result, women enrolled in WIC can distinguish pure juice products from fruit drinks and iron fortified, WIC-certified cereals from the others. This information will continue to be of value to these individuals long after they have left the WIC program.

The Baltimore County WIC program provides the opportunity to women to discuss nutrition issues with qualified professionals. Each certification appointment includes individual counseling by health educators, home economists, and registered dietitians. We record foods eaten in the past 24 hours and

compare their to recommended servings of the food groups. The client is engaged in a dialogue with the purpose of developing a plan to address identified nutritional risk factors. One woman has told us that this is the first time that anyone has taken the time to listen to her child's feeding problems and help her sort it all out. Such comments indicate to us that we are providing a desired service.

Nearly one-third of the postpartum women in our local project are breastfeeding. This is high compared with other counties in Maryland. Women who elect to breastfeed their babies are given individual counseling and encouragement. We have learned that support within the first few days after delivery is most important to success in breastfeeding.

Group nutrition sessions are scheduled every month. They cover a range of topics. For example, when dried beans were added to the food package, we planned a class on bean cookery for those who had never before used this economical source of protein. Other WIC mothers contributed their bean recipes which were compiled and distributed. We have had an exceptionally positive response to the foods served at the group sessions. One mother was surprised to find her son helping himself to second portions of a lentils/rice salad.

Similarly, our WIC population has commented favorably on the toddler nutrition program. Each session includes from 15 to 20 participants and consists of a short presentation followed by a tasting party. At the conclusion of the sessions, mothers complete questionnaires designed to test their understanding of topics covered. Completion of questionnaires also serves to document attendance.

Topics for future classes come from WIC mothers. They are requesting information on one dish meals, ways to make vegetables appealing

to children, and a whole range of other parenting concerns. I have brought some of their class evaluations and comments. You can see that our participants are learning to make informed consumer decisions about food. In summary, the WIC local agencies are providing practical information that will enable women to continue improved habits after program eligibility expires. This is being done in an efficient manner with minimum food costs. The problem is that the number of women who can benefit is so few. Is WIC to be a program only for a select few?

As 1983 begins we are serving 57% more people than one year ago. Even so, this is only a fraction of the estimated eligible population. Our funds are sufficient to address only 25% of the eligible population in my county. The 1975 income data used to derive these figures does not represent the current economic situation in Baltimore County where major layoffs continue in steel, auto and shipping industries. In Bethlehem Steel District 8 alone, there are 3,444 workers who are on layoff. Health insurance has expired for 2,700. The rate of unemployment since 1975 has doubled. As more people slip into our eligible population, the gap between current funding levels and the economic reality of the county widens.

Another result of the economic downtown and corresponding demand for WIC services has been an increase in the waiting interval for certification appointments. New applicants wait an average of 7 weeks for WIC certification appointments. Delayed enrollment limits the effect of WIC on pregnancy outcome. The 1980 Massachusetts WIC evaluation reported that participation for at least seven months during pregnancy was associated with maximum increase in birth weight, the longest gestational age and improved prenatal care.

Under 1983 appropriations, food dollars for Maryland are insufficient to serve the present caseload. Maryland has initiated waiting lists to gradually remove 6,300 from active status. We have discontinued enrollment

of priority 6 -- postpartum women who are not breastfeeding and priority 5 -- children who are at nutritional risk of inadequate diets. This changes the preventive nature of the program. Given time, poor nutrition may place these children in a greater degree of risk and in need of remedial care. Women and children in these priorities have been placed on the official waiting list. The present level of appropriations precludes them from being served this year, if ever.

Uncertainties about program cuts and waiting lists cause an administrative nightmare. In 1981, I administered our local project during a period of four priority waiting lists. By the time food dollars became available so people could return to active status, it was difficult to locate them by mail or phone. We lost contact with many altogether. Caseload declined by 12%. Public interest waned to the point that social workers and prenatal counselors stopped making WIC referrals. It took massive outreach to dispell the rumors that WIC had been eliminated.

I am encouraged by the proposed legislation to include funds for the W.I.C. program in the Emergency Jobs Bill HR 1718. A supplemental appropriation for WIC this year would benefit the unemployed in our community, especially those who have lost health insurance benefits. WIC brings women into county supported prenatal clinics where they can receive health care. I forcast the need for a 14% increase in funds to address acute unemployment in Baltimore County.

The proposed funding for fiscal 1984 would not maintain level caseload but would cause further reductions of 5% for Baltimore County. I hope the members of this committee will support a supplemental appropriation this year to be sustained in FY 1984. Thank you.

Mr. MILLER. Mrs. Iman.

STATEMENT OF SANDRA IMAN, PARTICIPANT, BALTIMORE COUNTY WIC PROGRAM

Mrs. IMAN. I am here to explain what WIC has done for me and my family. To me, the WIC program has been a definite source of nutritional assistance. It has helped me to give my children the necessary nourishment they needed by allowing me to get the very much needed formula for my baby.

When my husband was first laid off, my daughter was 5 months old. She was too young for whole milk and, the formula being too expensive, we would have been forced to give her whole milk or maybe something like powdered milk or something not as expensive.

I am grateful for the help I have had thus far since our only source of income has been depleted. The program, I would say, has also enabled me to give more attention to the diet of my children. WIC has been very informative about balanced meals and has supplied me with the essential cereal, milk, eggs and juice for my 3-year-old who otherwise would have gotten a lot less of each.

When I first came to WIC she was two. There is no way I would have ever known that she was low in iron. My pediatrician never did any kind of blood test on her. There is no way I would have ever known that. WIC had done that for me. From that point on I started speaking to the WIC counselor about how I could increase her iron, how I could help her diet, and WIC was very helpful in that way.

WIC has helped my girls more than I can say. When it comes to their growth, health and well-being, a simple "thank you" is hardly enough. Being in this position, WIC has made my problem one less. Not qualifying for any other assistance, WIC was the only hope I had. I only wish everyone who needs help will find the funds available as I did.

Thank you.

Mr. MILLER. Thank you.

Chairman. PERKINS [presiding]. We have as our next witness Dorothy Kolodner.

STATEMENT OF DOROTHY KOLODNER, WIC PROGRAM COORDINATOR, ALLEGHENY COUNTY HEALTH DEPARTMENT, PITTSBURGH, PA.

Ms. KOLODNER. I am Dorothy Kolodner with the Allegheny Health Department in Pittsburgh, Pa., Chief of Nutrition Services in the County Health Department, and the WIC Coordinator for that area.

Our county covers 723 square miles in southwestern Pennsylvania. The population is about 1.4 million people. We have had a WIC program in Allegheny County since May 1974. We are currently serving less than one-half of the eligible population.

Perhaps I should elaborate a bit on what I mean by "eligible population". We have heard it here this morning. It means those people who are at the highest risk of having a low birth weight infant. It means those persons below the poverty guidelines that

have been laid down by the Congress. It means persons who have a medical need.

You know, WIC was originally started as a preventative program, but we find that we have to have a medical need for a person to be on WIC. We find that we are looking at another index of risk, and that would be the age of the mother, and we have adolescent women who are in the program.

The need in Allegheny County we estimate is approximately 29,000 people who would be eligible, using the criteria I have just cited. Currently we are serving about 14,700.

We have been told by the State of Pennsylvania, as have the other counties in Pennsylvania, that we will have to decrease the caseload by the end of this year, and certainly, if the funds are frozen for next year, we will continue to curtail caseload.

I could perhaps reiterate what you have already heard, that WIC does influence low birth weight. We also have done a study. It is consistent with Dr. Kennedy's findings and with Dr. Langham's findings. It is as yet unpublished. It is comparing women who have been on WIC to people who did not have the opportunity to be on WIC before our program began. It is particularly significant that women who are underweight when they come into the pregnancy, and who are under the age of 18, are those most likely to be helped, the most likely to deliver a baby who is not at low birth weight, when given the help of WIC.

I would also like to reiterate some of the information that was given on the cost effectiveness, if you will, of WIC. It costs us between $25 and $30 a day, as you have heard. I think those figures are consistent nationally. That includes not only the cost of the food but the cost of the administration, the administration at the local level, as well as our county health department, and at the State level.

In our intensive care nursery at one of our largest maternity hospitals in Allegheny County, it costs currently, just for the space, $350 a day for an infant to be cared for in that nursery. We can carry a pregnant woman on WIC for 8 months for that same amount of money. If you want a cost comparison, $350 a day for 1 day as compared to about $340, if you figure we carry her for that whole period of time, that is significant.

Presently our unemployment rate in the third quarter of 1982 is 13.1 percent. That is double what it was in the third quarter of 1981. As you probably know, I could speak to this point at great length. We are in southwestern Pennsylvania. The steel industry is our major source of labor. At the present time I think you have all heard enough on the news to know what kind of condition the steel industry is in in today's economy.

We are seeing the new poor applying for our program. We are seeing people who would not otherwise have any source of help. I think our last witness was eloquent in sharing with us that experience. We are looking at people who really do not qualify for other kinds of care and who are using food as the most elastic part of their income and having to reduce the amount of food that is available to their families.

These are the same families for whom medical care will no longer be available, because once the unemployment benefits are

diminshed, and once the medical insurance is no longer available, these are people who will have to come into the public sector for medical care.

WIC is one way of reaching people with help, with medical care and nutrition education, which has also been addressed in this hearing. I think it is significant that if the WIC legislation is not increased somewhat, we are still going to be treating only those very high priorities that were referred to by Dr. Langham. We are now currently only serving pregnant women and infants at the highest risk.

The children that we have heard about, the children for whom we might really make some difference, are no longer going to be able to be served. We will no longer be able to serve the pregnant women. Perhaps she has a low birth weight baby and will be able to serve the baby, but we will no longer be able to serve her.

We will no longer be able to take advantage of the preventive nature of this program, because if we could serve the woman for 3 to 6 months after her pregnancy, we have shown in our study we have a much better chance of her not having a low birth weight infant the next time she is pregnant. It really can be a preventative program.

I have appreciated the opportunity to appear today. I think that our findings and our experiences are consistent with what you have heard thus far. I don't think I need to belabor the statistics any longer. I would hope that those of you on the committee who have some influence with this program will continue to support it as you have in the past.

Thank you.

Chairman PERKINS. Thank you very much.

Let me give you my assurance that I intend to work hand in glove with Mr. Miller. I certainly want to compliment your organization. I have been chairman here of the committee for a long time, and I have never observed an organization that would come before the committee as well prepared, an organization that has consulted the best experts in the country in this area. You people are all to be complimented.

I think you see where the results already obtained has paid off. You have never been knocked in the head like you ordinarily would have been if you had not been prepared through the past years. Mr. Miller and I and many others, Mr. Kildee and Mr. Martinez, intend to take care of you the best we can, and I think all the minority is going along with us on this—I believe so. Mr. Packard is here this morning and may want to say something. But you have got a great organiation.

Now we will hear from you, Dr. Calvert.

STATEMENT OF DR. GENE CALVERT, CHAIR-ELECT, FOOD AND NUTRITION SECTION, THE AMERICAN PUBLIC HEALTH ASSOCIATION

Dr. CALVERT. Thank you, Mr. Chairman.

As chair-elect of the food and nutrition section of the American Public Health Association, I want to thank all of you for this op-

portunity to bring a public health perspective to this national dialog on the WIC program.

As an organization representing 50,000 public health professionals, in every aspect——

Chairman PERKINS. I want to compliment you also for doing such a wonderful job before the House Committee on Appropriations to get that extra $100 million.

Dr. CALVERT. Thank you, Mr., Chairman.

Chairman PERKINS. You go right ahead.

Mr. Miller, you take my chair.

Mr. MILLER [presiding]. Just so you will know, the chairman has a bill on the floor today of some significance, so I expect he is getting prepared to do battle here.

Go ahead. Excuse me.

Dr. CALVERT. The American Public Health Association is deeply committed to health promotion and preventive health.

I think, in their own way, each of the preceding witnesses at this table have demonstrated the cost effectiveness of WIC nutrition aid in reducing the number of low birth weight babies. As medical costs have soared, WIC has become more of a bargain. For example, between 1976 and 1981, medical costs rose 60 percent, while WIC food costs per person rose only 40 percent.

It is vitally important that the Department of Agriculture and the Office of Management and Budget wake up to the importance of health in the WIC program. For example, USDA recently considered including highly sugared cereal and chocolate milk in the WIC food package. It was only because of the diligent congressional oversight provide by such individuals as the members of this very subcommittee that this attempt to short circuit children's health was halted. As evidence of APHA's opposition to such actions, in November its governing council passed a resolution to preserve the nutritional integrity of the WIC program.

First and foremost, the WIC program is a health program. We are confident that you Members of Congress will monitor the proposals of USDA and OMB, since their track record in this area is dismal.

For instance, there is some discussion today about turning nutrition programs such as WIC back into a surplus distribution program. Before using WIC recipients as a dumping ground for excess commodities, the effect of increased consumption of items such as butter and honey should be more thoroughly considered.

Every study done to evaluate the WIC program has demonstrated its efficacy in terms of improved health outcomes. Protecting the health of Americans is of utmost concern today when the network of supportive health services is deteriorating and its further erosion is planned by the administration.

The WIC program does not exist in isolation. It is part of a greater public health system. As the health care system weakens, so too does the WIC program. As Federal, State, and local health budgets shrink, resources from health referrals to office space, once provided to the WIC program, are also reduced. This results in poorer quality services for low-income participants.

Fewer and fewer of the poor in our country are eligible for the medicaid program and substantial gaps exist in the coverage of in-

dividuals on that program. For instance, 250,000 pregnant women with incomes below the poverty levels are not covered by medicaid for prenatal and delivery services each year, either beause they live with their husband or are pregnant for the first time, and do not qualify for welfare aid.

The Reagan administration, on January 4 of this year, proposed a revision in the regulations that govern the standard of care delivered in hospitals. One component of this proposal would eliminate the requirement for direct nutrition care in hospitals, so that the new mothers in States like Kentucky and Pennsylvania might not get the nutrition counseling that they currently receive while in the hopsital. Catching people only after deteriorated health requires costly medical attention. It is both inhumane and fiscally imprudent.

The administration has also reduced the monitoring of nutrition status by undermining such programs as the health and nutrition examination survey and the surveillance activities of the Center for Disease Control. Without such nutrition surveillance monitoring, the administration evades responsibility for the negative health impacts of its plans because a community cannot measure and document what it is experiencing.

Other programs, such as the National Health Service Corps, provides supportive services to WIC. National Health Service Corps health professionals serve WIC on a loan basis in many rural areas. This program has been strangled and is slated for extermination in fiscal year 1984. The dismantling of this program has drained the WIC program of important manpower.

I think the point is that overall, the matrix of health programs and services, of which the WIC program is a part, is declining rapidly. Unfortunately, due to the recession, and especially in some areas of the country as we have already heard, more people need WIC than ever before. Of the 9.7 million individuals adjudged to be eligible for the program in 1981, 7.6 million were children, and 2.1 million were pregnant and postpartum women.

Over the past 2 or 3 years there has been an annual increase of between 10 and 15 percent in the pool of people eligible for the program. In order to only minimally match the increase in the number of people eligible from year to year, the WIC program should have at least 10 percent real growth per year. The authorized ceiling, however, for fiscal year 1984 has been set at $1.126 billion. To achieve that 10 percent real growth after inflation for food and other services would require a funding level in fiscal year 1984 of approximately $1.224 billion. This estimate would allow only the WIC program to serve the same share of high priority participants that it now serves. Even with this funding level, there will be waiting lists, as we have heard, of underserved people. This estimate does not respond to the greater need of individuals for the program because of the erosion that I described in our health network.

Thank you for allowing us to present this statement.

[The prepared statement of Dr. Gene Calvert follows:]

PREPARED STATEMENT OF GENE CALVERT, M.P.H., PH. D., CHAIR-ELECT, FOOD AND NUTRITION SECTION, THE AMERICAN PUBLIC HEALTH ASSOCIATION

Good morning, Chairman Perkins, Congressman Goodling, Congressman Miller and Congressman Kildee. As Chair-elect of the Food and Nutrition Section of the American Public Health Association, I want to thank you for inviting the American Public Health Association to offer our public health perspective to this national dialogue on the WIC program.

As an organization representing 50,000 health professionals in every aspect of community and public health, the American Public Health Association is deeply committed to health promotion and preventive health. Driven both by good sense and economics, we applaud the trend in this country for Americans to take an active interest in the promotion of health, disease-avoiding lifestyles. Today, more than ever, it is true for best health that "an ounce of prevention is worth a pound of cure". Dr. Eileen Kennedy has observed the cost effectiveness of the WIC nutrition aid in reducing the number of low birthweight babies. As medical costs have soared, WIC has become more of a bargain. For example, between 1976 and 1981, medical costs rose 60% while WIC food costs per person rose only 40%. Through preventive WIC services, important young lives can be saved and medical costs can be better contained. Experience has shown us that intensive neonatal care in the first few weeks of life can range from $30,000 to $50,000.

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At a press conference sponsored by the American Public Health Association in early February, Dr. Jean Mayer cited a Massachusetts Public Health study that estimated the lifetime cost of the care to an infant born with a disability or mental retardation as $2-3 million. The traditional health promotion approach of public health issues in the community has never been more relevant or important than it is in today's fiscal environment.

It is vitally important, therefore, that the Department of Agriculture and the Office of Management Budget wake up to the importance of health in the WIC program. For example, USDA recently considered including highly-sugared cereal and chocolate milk in the WIC food package. It was only because of the diligent congressional oversight provided by such individuals as the members of this committee that this attempt to shortcircuit children's health was halted. As evidence of APHA's opposition to such actions, in November the APHA Governing Council passed a resolution to preserve the nutritional integrity of the WIC program (See attachment).

First, and foremost, the WIC program is a health program. We are confident that you members of Congress will monitor the proposals of USDA and OMB since their track record in this area is dismal. For instance, there is some discussion today about turning nutrition programs such as WIC back into a surplus distribution program. Before using WIC recipients as a dumping ground for excess

commodities, the effect of increased consumption of items such as butter and honey should be more thoroughly considered. History suggests that without congressional oversight, the USDA and OMB would fail to examine such important implications of this action.

Research on the Health Impact of WIC

As Drs. Eileen Kennedy and Rose Ann Langham have chronicled earlier today, the WIC program has proven that it improves the health of women, infants and children. The study of Drs. Langham, Hicks and Takenaka suggests that early and effective enrollment of pregnant women and their babies in WIC improves children's mental capabilities when compared to a group whose participation in the WIC program was delayed until their first birthday. This study further strengthens the appreciation that the Education and Labor Committee has for the importance of nutrition in upgrading the intelligence of America's children.

Every study done to evaluate the WIC program has demonstrated its efficacy in terms of improved health outcomes. A study by Dr. Milton Kotelchuck demonstrated that WIC intervention improves infant birth weights and that the larger the intervention the greater the improvement. The study from the Center for Disease Control demonstrated that hematocrits, an important index of health status, improved with participation in the WIC program. The study by Dr. Jerianne Heimendinger shows that participation in the program led to improved weight gain through the first

eighteen months of life. The message from every study that has been done evaluating the health impact of the WIC program sends us a clear, convincing and consistent message that the WIC program is of substantial importance in improving the health of millions of Americans.

Erosion of Allied Health Services

Protecting the health of Americans is of utmost concern today when the network of supportive health services is deteriorating and its further erosion is planned by the Administration.

In-Kind Support

The WIC Program does not exist in isolation, it is part of a greater public health system. As the health care system weakens, so too does the WIC Program. As Federal, state and local health budgets shrink, resources from health referrals to office space, once provided to the WIC Program, are also reduced. This results in poorer quality services for low-income participants.

Medicaid

Fewer and fewer of the poor in our country are eligible for the Medicaid program and substantial gaps exist in the coverage of individuals on that program. Recent Administration proposals would exacerbate this situation. The Administration has proposed reducing the eligibility for Medicaid through workfare requirements for individuals on AFDC. This would increase the number of low-income persons who will not get adequate medical care, and impose an increased strain on hospitals and other providers that attempt to provide charity care to the uninsured and the employed. This Administration has further

proposed that Medicaid participants be required to provide copayments. Prenatal services to pregnant women are best begun as early as possible. Copayments may delay their entry and increase the possibility of later health problems. These service reductions are in addition to the barriers created by cutbacks in primary care programs and reductions in overall Medicaid benefits in the past two years. The proposals are extremely frightening in the face of the significant gaps that remain in the Medicaid program which theoretically provides financial access to health services for over 10 million low-income children. For instance, 250,000 pregnant women with incomes below the poverty levels are not covered by Medicaid for prenatal and delivery services each year either because they live with their husband or are pregnant for the first time and do not qualify for welfare aid.

Quality of Hospital Care

The Reagan Administration on January 4 of this year proposed a revision in the regulations that govern the standard of care delivered in hospitals. The Administration proposal would eliminate the requirement for hospital social workers. This would undermine the discharge planning that social workers very effectively provide in hospitals. It is the work of hospital social workers to refer patients to the health programs and in the community, such as WIC, upon discharge from the Ob/Gyn and pediatrics departments of hospitals. Another component of the Reagan Administration proposal for hospitals would

eliminate the requirement for direct nutrition care in hospitals so that the new mothers in the states like Kentucky and Pennsylvania might not get the nutrition counseling that they currently receive while in the hospital. This proposal would underscore the vital need for an expanding WIC Program in such communities so that pregnant women and nursing mothers and infants and young children will receive proper nutrition counseling through inexpensive health promotion programs like WIC. Effective nutrition education is essential for health maintenance. The alternative -- to catch people only after deteriorated health requires costly medical attention -- is both inhumane and fiscally imprudent.

Maternal and Child Health Services

The Maternal and Child Health Services Program has been part of a block grant for the past couple of years. Actual funding has decreased from $396 million in FY81 to $373 million in FY83. With inflation's ravages, this program has suffered dramatic real reductions in funding. The Administration has proposed further diminishing it in the New Federalism "megablocks". The effect of the past several years of reductions in WIC's allied program, the MCH Program, has been to dimish the scope of the MCH program services in everything from well-baby clinics to maternal and child health assessment and health counseling.

Child Care Food Program

The Administration has made dramatic reductions in the Child Care Food Program in the past and has slated it for inclusion in a General Nutrition Assistance block

grant at a severely reduced funding level. The programmatic effects of such proposals for MCH and the CCFP hold dire consequences for the health status of children.

Nutrition Status Monitoring

The Administration has also reduced the monitoring of nutrition status by undermining such programs as the Health and Nutrition Examination Survey and the surveillance activities of the Center for Disease Control. Without such nutrition status monitoring, the Administration evades responsibility for the negative health impacts of its plans because a community cannot measure and document what it is experiencing and what is reported anecdotally in the newspapers and in their churches.

National Health Service Corps

Other programs such as the National Health Service Corps provides supportive services to WIC. National Health Service Corps health professionals serve WIC on a loan basis in many rural communities. This program has been strangled and is slated for extermination in fiscal year 1984. The dismantling of this program has drained the WIC program of important manpower.

Loss of Private Health Insurance

The recession has indirectly stripped many individuals of their insurance. Individuals without private health insurance delay seeking health care until they are in dire circumstances. Pregnant women don't come in during their critical first trimester of pregnancy. Rather than periodic health checkups, infants and children will be brought in only when they require acute medical attention. As public health professionals we encourage

early intervention to prevent the onset of debilitating conditions. When health care is deferred, costly long-term medical services are substituted for preventive health programs.

Childhood Immunizations

Even such longstanding, successful public health programs as immunizations against childhood diseases have been dramatically reduced under the current Administration. With vaccine prices rising by 40% over the past two years, the number of children that can be vaccinated against such diseases as measles, mumps, rubella, and polio has dramatically declined. In fiscal year 1981, 6.3 million children were immunized against such childhood threats to their health. The Reagan Administration budget would protect only 2.9 million children in 1984, or 3.4 million fewer children than 3 years ago. Nutrition and infection are interrelated. Poorly nourished children are more likely to fall prey to infections and children with infections cannot eat or utilize their nutrients effectively.

Overall, the matrix of health programs and services, of which the WIC Program is a part, is declining rapidly. Medicaid is unable to serve significant portions of the needy population including those 250,000 pregnant women annually who are ineligible. Proposals for Medicaid by the Administration would reduce further the access of needy individuals to health services. The financial and health support that other programs at

the state and local levels have provided WIC is vanishing. The proposals that the Reagan Administration has made for hospital care would reduce the referral of patients to the WIC Program and eliminate the nutritional counseling currently provided in hospitals. The reduced viability of such programs as the Child Care Food Program and Maternal and Child Health Program puts extra burdens on the WIC Program. The elimination of the National Health Service Corps will mean that the WIC Program will no longer receive the much needed assistance with manpower in medically underserved areas. More individuals newly without private health insurance will be in need of the health promotion and preventive health aspects of the WIC program. An increased need for WIC will also result from the increased number of children exposed to the risks of more childhood diseases as the childhood immunization programs are curtailed. The unraveling of the network of health programs and services puts an increased burden on the WIC Program to reach those individuals who are most in need of the program.

Growing Number of People Who Need WIC

Unfortunately, due to the recession, more people need WIC than ever before. One USDA estimate shows that the number of people eligible for WIC grew about 15% from 7.6 million in 1979 to 8.8 million in 1980, and again by another 10% to 9.7 million in 1981.

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Of the 9.7 million individuals judged to be eligible for the program in 1981, 7.6 million were children and 2.1 million were pregnant and postpartam women. All of this data comes from the Bureau of Census and the National Center for Health Statistics. If the same rate of growth has continued, then there should be more than 12 million people eligible in 1983 and 13 million in 1984.

While the income assumptions for estimating these statistics may vary the estimate for the total pool slightly, the percent increase in the pool from year to year holds steady. Over the past two or three years there has been an annual increase of between 10 and 15% in the pool of people eligible for the program. In order to only minimally match the increase in the number of people eligible from year to year, the WIC Program should have at least 10% real growth per year. This means that, after food inflation and after increasing medical costs (due to diminished allied health resources), WIC funding would have to increase by 10%.

In January of this year, Assistant Secretary of Agriculture Jarratt submitted to the President the biennial report of the National Advisory Council on Maternal, Infant and Fetal Nutrition. One of their most significant recommendations is that WIC "receive sufficient funding so it can serve 50% of those potentially eligible for the program".

The authorized ceiling for fiscal year 1984 funding has been set at $1.126 billion. This amount allows 6.2% growth in funding. If one assumes a 5% inflation rate for food alone, this leaves very little for real growth. To achieve the 10% real growth after inflation for food and other services would require a funding level in fiscal year 1984 of approximately $1.224 billion. This funding level would just barely allow the WIC Program to achieve parity with the growing need for WIC services due to unemployment and the recession. This estimate would allow only the WIC program to serve the same share of high priority participants that it now serves. This estimate would not allow the program to expand the next tier of individuals who are eligible for the program and who need the program. Even with this funding level, there will be waiting lists of eligible, but unserved people. This estimate does not respond to the greater need of individuals for the program because of the erosion in our health network. A funding level to absorb this expansion would imply even a greater sum than our recommendation of $1.224 billion for the WIC program in fiscal year 1984.

In addition to the funding for the WIC Program in the coming fiscal year, APHA has two other issues that it would like to address.

First we would like to note that the authorization for the WIC Program expires September 1984. In

introducing H.R. 7, the Committee Chairman has recognized the necessity of reauthorization. To advise the Congress on how the WIC Program might be improved in that reauthorizing legislation, APHA recommends that a committee be established, independent from political influence. This independence means that membership in such an advisory group to the Congress would include members chosen by the constituent associations themselves, rather than the Department of Agriculture. Organizations from the health sector, the food industry, and public interest groups should be included. Health professional organizations such as the American Public Health Association, the American Dietetic Association, the Association of Pediatrics, the American College of Obstetrics and Gynecology, the American Nurses Association and the Society for Nutrition Education could be included. Representatives from the government organizations directly responsible for the program such as the WIC division of USDA, and indirectly involved such as the Maternal and Child Health and Center for Disease Control units within DHHS should also be included. Such an advisory group could give invaluable advice to the Congress when it considers the reauthorization of such an important program.

Finally, the American Public Health Association notes that the Congress is in the midst of a great debate on how to structure a recession relief bill to create new jobs. The concern of the Congress for the unemployed

and disadvantaged in this country is laudable. The inclusion of additional WIC funding in a jobs bill is appropriate in our opinion. In addition to helping to feed needy women, infants and children, WIC creates jobs. About a fifth of WIC funds goes to pay for WIC nutrition services and administration, to pay health professionals and clerks. Lest you think that this money goes to overpaid doctors, it is worth mentioning that WIC salaries are pretty low. A recent survey of recently trained nutritionists reported WIC jobs as paying the least among comparable positions. Most importantly, the lion's share of WIC funding goes to pay for food at grocery stores in low-income neighborhoods. Indirecly, this helps create jobs as grocery clerks among youth with minimal job skills in areas where more work is much needed. This is a type of job creation in those impoverished areas that we need to consider when talking about a recession relief program. The recession relief bill should look to employ individuals in areas that are the most depressed. Supplemental funding for the WIC program in the recession relief bill would help to achieve the goal of that bill which is to create jobs, in addition to feeding needy people. The American Public Health Association supports the $100 million for WIC and the $10 million for MCH included in the bill reported out of the House Appropriations Committee on February 25.

Thank you for this opportunity to appear before the Committee.

8208: Preserving the Nutritional Integrity of the Special Supplemental Food Program for Women, Infants, and Children (WIC)

The American Public Health Association,

Recognizing the need for both effective federally sponsored food assistance programs and the active promotion of the Dietary Guidelines for Americans in order to enhance the dietary and nutritional status of the nation's low-income population (APHA Public Policy Resolutions 8127 and 8128);[1,2] and

Recognizing that the United States of America, with its abundant supply of food and superior medical facilities, continues to exhibit one of the highest rates of infant mortality during the first year of life in the industrialized world; and

Recognizing that the United States Congress initiated the Special Supplemental Food Program for Women, Infants, and Children (WIC) to improve the nutritional and health status of low-income pregnant, postpartum, and breastfeeding women, their infants and children through the provision of supplemental foods and nutrition education, and to protect the at-risk population from infant mortality and early childhood morbidity, both consequences of low birthweight and inadequate nutrition; and

Recognizing also that numerous preliminary evaluations of the WIC program have indicated it to be correlated with a decreased rate of infant mortality, anemia, and low birthweight,[3,4] and

Knowing that in July 1982 the US Department of Agriculture was considering modification of the regulation which governs the types and quantities of food which are allowable in the WIC program, but due to public expression of concern USDA delayed any action until after the November 1982 elections; and

Knowing that in October 1982 the US Department of Agriculture issued a report recommending the direct purchase and distribution of infant formula by WIC state agencies; and

Noting that both the US Senate and House of Representatives introduced resolutions[5,6] stating the intent of Congress that the Secretary of Agriculture may not promulgate any regulations governing the WIC program which would not enhance or maintain the nutritional integrity of the supplemental foods provided in the program, therefore

1. Recommends that the US Secretary of Agriculture modify the regulations governing the WIC program *only* when such modifications are designed to:
   a) Have a positive effect on the dietary and nutritional status of WIC program participants;
   b) Improve the nutritional integrity of the program without necessitating a decrease in participation due to increases in food package cost;
   c) Contribute to and complement the nutrition education components of the WIC program; and
   d) Be consistent with the Dietary Guidelines for Americans;

2. Recommends that the USDA use any savings associated with modifications in the WIC program to provide WIC program services to those who are now eligible but prevented from participation by budgeting constraints;

3. Supports both Congressional resolutions H.J.Res. 567 and S.J.Res. 253; and

4. Notes that action on this resolution shall be initiated within 30 days of its adoption.

References

1. APHA Resolution 8127, Dietary Guidelines for Americans. APHA Public Policy Statements, 1948 to present, cumulative. Washington, DC: APHA, current volume.
2. APHA Resolution 8128, Support for Federally Sponsored Food Assistance Programs. APHA Public Policy Statements, 1948 to present, cumulative. Washington, DC: APHA, current volume.
3. Kennedy E, *et al*: Evaluation of the effect of WIC supplemental feeding on birthweight, hemoglobin and hematocrit of prenatal recipients. J Am Dietetic Assoc 1982;80:220-230.
4. Edozian JC, Switzer BR, Brian RG: Medical evaluation of the Special Supplemental Food Program for Women, Infants, and Children. Am J Clin Nutr 1979;32:677-692.
5. US House of Representatives: H.J.Res. 567, Washington, DC, August 10, 1982.
6. US Senate: S.J.Res. 253, Washington, DC, September 23, 1982.

Mr. MILLER. Thank you very much.
Ms. Picciano-Hanson.

STATEMENT OF LORETTE PICCIANO-HANSON, ISSUES ANALYST, BREAD FOR THE WORLD

Ms. PICCIANO-HANSON. I am Lorette Picciano-Hanson, an issues analyst with Bread for the World. We welcome this opportunity to appear again before this committee.

I won't reiterate anything about the effectiveness of the WIC program because I feel that has already been very well covered by other witnesses. One thing I will say, however, is this program has been so effective that the Congress of the United States has turned back some very serious recommendations for cutbacks in the program in 1981 and 1982, when it was recommended the program be reduced by a third. I think it shows that during times when other programs are very much cut back, this program proved itself so effective that politically they have been unable to get it cut.

A freeze would be a very damaging thing in this program. There are currently about 2.3 million needy women and children receiving WIC benefits, and the 1.06 funding level would provide funding to approximately only 2.19 million women and children, which would be, in effect, a cut to have this freeze.

The reasons why the WIC program have full funding is especially important. In the city of Newark, N.J., for example, there is sufficient WIC funds to serve only first and second priority categories of participants. Only pregnant and breastfeeding women and infants with medical needs can receive WIC. Twenty-seven percent of all the counties in the country do not even have a WIC program. Sixty-six percent of the 254 counties in Texas do not have WIC. That is 66 percent of all the counties in that State. Only 13.6 percent of eligible clients in Texas receive WIC. This means there are 840,000 eligible and unserved needy women and children in that State alone.

Bread for the World has been conducting a Hunger Watch project in a number of cities all over the country. In Fulton, N.Y., the group there found the importance of the WIC program demonstrated by a 3-year-old child whose mother did not know why the child had decaying front teeth, was in pain and had difficulty chewing. This child was screened by the WIC program. A nutritional professional explained the problem of nursing bottle syndrome, referred the mother to a dentist and gave her information for preventing the problem in her 18-month old child. At a followup visit, the younger child no longer used a bottle and the older one had dental treatment. It is things like this that the WIC program can also do.

A Hunger Watch report from Pittsburgh, Pa. showed that a local WIC program was forced to cut back on nutritionists as well as on women and children. The reduction in nutritionists was especially important, noted the report, in light of a recurring comment from WIC participants. All but one who responded to Hunger Watch questionnaires indicated the desire for more nutrition information in the WIC program.

We have heard that several States are reducing caseloads at this time because of uncertainties in funding. Maryland, Pennsylvania, New Jersey, Illinois, Ohio, and Vermont are all examples of States which, faced with unfavorable economic conditions and unemployment above 8 and even 10 percent, are being forced to reduce services.

Another point I would like to reiterate is if maternal and child services do not grow at the same time that WIC grows, many of the proven benefits of the WIC program cannot be realized for either the mother or the child, and there have been cutbacks in many services.

Because of the crucial importance of the WIC program, Food for the World members across the country have been asking their Members of Congress to support the preventing hunger at home resolution. This resolution asks for the full authorized funding level as a minimum for the WIC program, and also asks that other food programs receive no further budget cuts. I think that a very important point we have to remember, and has been brought up before, is that when you cut back on the food stamp program, when you cut back on other programs, you are affecting the same families that are not being served by the WIC program. And even if they are being served by the WIC program, that help will not be as effective if they reduce services in other areas.

The preventing hunger at home resolution has 166 cosponsors in the House of Representatives, including the chairman of this committee, Mr. Goodling, and Mr. Miller, and a number of other strong supporters, and has 44 cosponsors in the Senate at this point. I think what it is saying is that people across the country are very much in support of the idea that there be no further cutbacks in food programs at this time.

We also would like to remind the committee that cutbacks in other programs such as medicaid, aid to families with dependent children, and so forth, also do affect these same families as well as food program cutbacks.

The same families are again affected by unemployment. For example, 400,000 people in Detroit have lost health insurance benefits when they have lost their jobs. The need for WIC to provide nutrition and health benefits to these needy persons is extremely evident.

This is in addition to the fact that fewer than one in four of the WIC-eligible population is currently being served by the program. It is USDA's own figures that say that more than 9 million people could be eligible to receive WIC. Even with the authorized funding level of 1.126, WIC would still reach only 2.33 million mothers and children.

We support the bill that has been reported out of the Appropriations Committee that would add $100 million to WIC in the current fiscal year. This supplemental funding would allow about 300,000 more women and children who are eligible and already on waiting lists to be served by the program. We support the supplemental funding for this year and also recommend a funding level of 1.218, which is very much in line with my colleagues recommendation, so that the WIC program could maintain services for this increased caseload level. This is a low recommendation in terms of

the need that is not yet met by the WIC program, but we feel it is a reasonable one for the next year.

We appreciate the support the committee has given to the WIC program in the past and thank you for the opportunity to appear.

[The prepared statement of Lorette Picciano-Hanson follows:]

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PREPARED STATEMENT BY LORETTE PICCIANO-HANSON, ISSUES ANALYST, BREAD FOR THE WORLD

Mr. Chairman, members of the Committee, ladies and gentlemen, I am pleased to be invited to address the Committee on behalf of the WIC program. I am Lorette Picciano-Hanson, Issues Analyst with Bread for the World, specializing in child nutrition programs. I am speaking for our 43,000 members across the country. Bread for the World is a Christian citizen's movement that supports government policies and programs which help hungry people. The WIC Program is an outstanding example of the importance of federal efforts to improve the nutrition and health of the nation's needy mothers and children.

Since WIC was begun as a pilot project in 1972, it has enjoyed a reputation for being an effective and efficient program. A 1981 report entitled "Better Health for our Children: A National Strategy," which was addressed to The United States Congress and the Secretary of Health and Human Services, states that:

> Despite early frustrations caused by the impoundment of funds and a lack of aggressive administration as well as a necessity for litigation, WIC enjoys the overwhelming support of Congress, health providers, and nutrition advocates.

It is clearly the general consensus that the WIC Program has been successful in providing nutritious foods and education, and making health services more available to large numbers of needy people. Nevertheless, the program has faced proposals for decreased funding for the past three years.

In 1981, the Administration proposed reducing funding to the WIC program by one-third. At that time the Department of Agriculture indicated to state WIC directors that projections for maintenance or growth of funding were unrealistic, and advised that states reduce their services to avert running out of funds early in the fiscal year. Hundreds of thousands of needy women and children lost their program benefits at that time, although Congress soundly rejected any cuts in funds to the WIC program that year.

In 1982, the Administration again proposed to reduce funding by one-third, and at the same time terminate the WIC program at the federal level and incorporate WIC funds into the Maternal and Child Health Block Grant. Again, Congress reiterated its faith in WIC by providing it with full authorizations, and by never seriously considering the block grant for WIC.

This year, even the Administration has recognized that a reduction in funds for WIC will not be allowed by Congress, and proposes instead a freeze in WIC funding. However, a freeze at the current level of $1.06 billion would provide funding to serve only 2.19 million women and children in fiscal year 1984. There are currently approximately 2.3 million needy women and children receiving the benefits of WIC. Such a freeze is obviously not a freeze, but a reduction. With increasing food prices and other program costs, a freeze would mean that approximately 115 million fewer needy women and children would be able to benefit from the foods, education, and access to health care provided by WIC.

Some examples of why full funding for WIC is not only appropriate, but necessary, are the following.

1. In the city of Newark, New Jersey, there are sufficient WIC funds available to serve only the first and second priority categories of participants. Therefore, only pregnant and breastfeeding women, and infants with medical needs, can receive WIC. Many other women and infants, and all children with nutritional needs,are on waiting lists.
2. Twenty-seven percent of all the counties in the country do not have a WIC program. Sixty-six percent of the 254 counties in Texas do not have WIC. Only 13.6% of eligible WIC clients in Texas receive WIC. This translates into 840,000 eligible and unserved needy women and children in Texas. Nationwide, there are over six and one-half million non-participating and eligible women and children.
3. Bread for the World members in Fulton, New York, learned of the importance of WIC through a Hunger Watch project. (Hunger Watch is a survey being carried out by hundreds of groups in communities across the country to determine the impact of changes in federal nutrition programs.) In Fulton, a 3 year old child whose mother did not know why the child had decaying front teeth, was in pain, and had difficulty chewing, was screened by the WIC program. The nutrition professional explained the problem of nursing bottle syndrome, referred the mother to a dentist, and gave her information on preventing the problem in her 18 month old child. At a follow-up visit, the younger child no longer used a bottle and the older one had had dental treatment.
4. A Hunger Watch report from Pittsburgh, Pennsylvania shows that a local WIC program was forced to cut back from seven to five nutritionists

and to cut back on its program participation by 2,000 women and children. The WIC director there reported that the cuts were not a result of budget cuts, but rather of inflation. The reduction in nutritionists was especially important, noted the report, in light of a recurring comment from the WIC participants. All but one who responded to the Hunger Watch questionnaires indicated a desire for more nutrition education.

These are only a few of the examples that Bread for the World members uncovered which demonstrated the importance and effectiveness of WIC in meeting health and nutrition needs in their communities.

We have heard that several states are reducing their caseloads at this time because of the uncertainty of funding. Maryland, Pennsylvania, New Jersey, Illinois, Ohio, and Vermont are all examples of states which, faced with unfavorable economic conditions, and unemployment above 8 and even 10% statewide, are being forced to reduce services.

An important concern for the WIC program is its relationship to the health care delivery system. WIC is designed to be administered at the state and local level as a part of the total health care. This linkage between WIC and health care services is considered to be one of the best aspects of the program. However, in some localities WIC has expanded so rapidly that it has grown beyond the existing maternal and child health services which are a necessary part of total health care. Furthermore, there are areas in the country without adequate health services. Needy persons in those areas are not eligible for WIC services by regulation, as no local agency can provide the required availability of such services. If maternal and child health services do not grow at the same time that WIC grows, many of the proven benefits of WIC cannot be realized for the mother or child.

5.

Because of the crucial importance of WIC, Bread for the World members across the country have been asking their members of Congress to support the Preventing Hunger at Home Resolution, H. Con. Res. 40, which currently has 166 cosponsors in the House of Representatives. We thank you, Mr. Chairman, Mr. Goodling, and other members of the Committee, for your sponsorship of this resolution. A companion resolution in the Senate, S. Con. Res. 6, has 44 cosponsors. One provision of these resolutions calls for the fully authorized funding level of $1.126 billion for the WIC program. Other parts of the resolution oppose further budget cuts in the federal nutrition programs, and call for maintenance of current efforts and responsibility in federal nutrition programs. The resolution has wide and bipartisan support, which has helped make it a focal point in the budget debates. Mr. Jeffords of Vermont stated that "the 98th Congress has few priorities before it that are more important than reducing the Federal deficit. Among those few is preventing hunger at home. That is the most simple and fundamental reason behind the introduction of this resolution." We would remind the Committee that cutbacks in other programs, such as Medicaid, Aid to Families with Dependent Children, and Food Stamps, affect the same needy mothers and children as WIC. Because of previous cutbacks in these areas, the WIC program is even more important at this time.

These same families are also affected by unemployment. For example, 400,000 people in Detroit lost health insurance when they lost jobs. Pregnant women and their children will be unable to afford appropriate care. The need for WIC to provide nutrition and health benefits to these needy persons is obvious.

This is in addition to the fact that fewer than 1 in 4 of the WIC-eligible population is currently being served by the program. USDA estimates that more than 9 million persons could be eligible to receive WIC. Even with the fully authorized funding level of $1.126 for fiscal year 1984, WIC would still reach only 2.33 million of these needy mothers and children. There is a bill which has been reported out by the House Appropriations Committee which would add $100 million to the WIC program during the current fiscal year. This supplemental funding would allow approximately 300,000 women and children who are eligible and on waiting lists at clinics across the nation to receive the program benefits. Bread for the World supports this supplemental funding for this year, and would therefore recommend a funding level of $1.218 billion for fiscal year 1984, so that WIC could maintain services to this increased caseload next year.

We appreciate the support this Committee has given to the WIC program in the past, and thank you for the opportunity to express our appreciation of your efforts in behalf of good health for this nation's people.

CONCURRENT RESOLUTION

PREVENTING HUNGER AT HOME

Expressing the sense of the Congress that the federal government should maintain current efforts in federal nutrition programs to prevent increases in domestic hunger.

Whereas federal nutrition programs, including school lunch, school breakfast, child care food, summer food, special supplemental food program for women, infants and children (WIC), nutrition education and training, special milk, elderly nutrition, food stamps and commodity supplemental food programs have been effective in reducing hunger and malnutrition in the United States;

Whereas legislation enacted in the 97th Congress reduced funding for child nutrition and food stamps by 30% and 20%, respectively, resulting in significant reductions in participation and benefits for the needy;

Whereas current high levels of unemployed, underemployed and discouraged workers have greatly increased the number of low income families dependent on some kind of federal food assistance;

Whereas the valiant efforts of churches and other volunteer organizations in the United States are unable to meet fully the growing need for food created by reductions in nutrition programs and by poor economic conditions;

Whereas nutrition assistance to mothers and children at critical periods of growth represents a cost-effective way to reduce infant mortality and promote long-term health;

Whereas nutrition benefits through the school lunch program and other child nutrition programs significantly contribute to the health maintainence and learning potential of our nation's children;

Whereas nutrition programs for elderly people, including the food stamp program, can prolong health, allow for independent living and preserve the dignity of our nation's senior citizens;

Whereas the food stamp program has provided emergency nutrition benefits to those without the means to obtain a nutritionally adequate diet and is often the only form of federal assistance available to many unemployed workers;

Whereas over the last six years, six food stamp laws have been enacted involving substantial limitations and modifications of the program that have created confusion and instability among both state administrators and recipients;

Whereas a federal role in meeting the nutritional needs of low-income Americans is appropriate since the costs of obtaining an adequate diet do not vary significantly throughout the country;

Whereas further reductions in the federal government's responsibility to provide adequate nutrition to the needy would cause increasing hardship and hunger to those least able to survive in our society;

Resolved by the House of Representatives (the Senate concurring),

That it is the sense of Congress that

1) Funding for federal nutrition programs including all child nutrition programs, elderly nutrition programs and food stamps should be protected from further budget cuts and should continue to respond effectively to the urgencies of rising unemployment and food prices.

2) The supplemental food program for women, infants and children (WIC) should continue to be funded at the full level authorized by law.

3) The federal government should maintain current efforts and responsibility in federal nutrition programs to prevent increases in domestic hunger.

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Congress of the United States

House of Representatives

Washington, D.C. 20515

January 20, 1983

Dear Colleague:

We all know too well that that the problems of hunger in this nation have not disappeared. High unemployment and sluggish economy have forced hunger to become a tragic reality for too many of our nation's citizens. Soup kitchens all over the country are being inundated with needy recipients, many of them the "new poor" who for the first time are receiving public or private assistance because of lost jobs and inadequate ability to provide for their families. Representatives from food groups around the country report that, for the first time in twenty years, the number of hungry Americans is on the rise.

In the midst of this of all this, reports indicate that the Administration is planning further cuts to federal food programs in its FY 1984 budget proposal --- cuts that could further debilitate the numerous federal food programs that are already functioning at bare bones levels after the cuts of the last few years.

We are concerned about any potential cutbacks to these programs and plan to introduce into the House next week a Resolution expressing the sense of Congress that federal food programs --- including school lunch, school breakfast, child care food, summer food, special supplemental food program for women, infants and children (WIC), food stamps and others --- be protected from further budget cuts this year and continue to respond to the urgencies of increasing unemployment and food prices. Our resolution also states that the WIC program should continue to be funded at the full level authorized by law, and that the federal government should retain primary responsibility for nutrition programs.

We urge you to join us in introducing this resolution and in sending a clear message to the nation that we will not agree to cut these programs once again. Federal nutritional programs have been cut enough. The food stamp program has been cut by over $9 billion in FY 1982 through FY 1985. Since 1977, eight million persons have become ineligible for food stamp benefits because of limitations on eligibility requirements. Child nutrition programs have been cut by 30%. Daily participation in the school lunch program has dropped by 2.9 million students, including over 1 million from low income families. In the school breakfast program, daily participation dropped by .5 million, 70% of whom were from low income families.

In addition, state administrators of these programs are being faced with a morass of program changes and new regulations. Administrators are just begining to implement the changes made in the 1981 Farm Bill. Six food stamp laws in the last six years have created confusion and instability among both state administrators and needy recipients.

We believe that these programs should be given a chance to stabilize before further cuts and changes to the program are made. The needy and hungry persons of this nation can ill afford reductions in nutrition benefits once again.

The resolution that we will be introducing is entitled, "Preventing Hunger at Home," and has the strong support of Bread for the World and its many member groups throughout the country. The text of the resolution is printed on the reverse side of this letter. If you would like to join us in introducing this resolution, or if you would like more information, please feel free to contact Julie Blackshaw at x52861.

Sincerely,

James M. Jeffords
Member of Congress

Leon E. Panetta
Chairman, Subcommittee on Domestic Marketing, Consumer Relations

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United States Senate

COMMITTEE ON
AGRICULTURE, NUTRITION, AND FORESTRY
WASHINGTON, D.C. 20510

February 1, 1983

Dear Colleague:

We have introduced a resolution to express the sense of Congress that the federal government should continue its commitment to meeting nutritional needs in the United States. The resolution (S. Con. Res. 5), entitled, "Preventing Hunger at Home," has the backing of Bread for the World and many other groups throughout the country. A similar resolution, with wide bipartisan support, has been introduced in the House of Representatives by Congressmen Jeffords and Panetta.

In the face of a sluggish economy and high unemployment it is particularly urgent that Congress send a message to the nation that the federal government will continue seeking to ensure that the nutritional needs of our citizens are met. Effective programs to meet these needs are in place: school lunch, school breakfast, child care food, special supplemental food for women, infants, and children (WIC), food stamps and others; and the time is ripe to express Congressional resolve to maintain our efforts in the nutrition area.

Congress has closely scrutinized and made significant changes in both child nutrition and food stamps over the past two years in an effort to achieve budgetary savings, but now our focus must shift to ensuring that the nutrition programs remain effective in reducing hunger and malnutrition in the United States.

The resolution expresses concern about a reduction in federal involvement and commitment in nutrition programs at a time when it is crucial that these programs respond effectively to nutritional needs in the United States. It also states that the WIC program should continue to be funded at the full level authorized by law. (The WIC program is authorized and appropriated at $1.06 billion for FY83 and is authorized at $1.126 billion for FY84.) The resolution further states that the federal government should maintain primary responsibility for nutrition programs.

We urge you to join us in cosponsoring this resolution, a copy of which is enclosed. If you would like to join us or if you have any questions, please contact either Barbara Thomson at 4-8437 or David Zorensky at 4-0211. We intend to set aside time on Thursday afternoon to add cosponsors and make floor statements. Please let us know by Thursday at 10:00 a.m. if you will be joining us.

Sincerely,

Jack Danforth

Rudy Boschwitz

Walter Huddleston

Patrick Leahy

William Cohen

Thomas Eagleton

Ernest Hollings

Roger Jepsen

John Heinz

Alan Dixon (IL)
Arlen Specter (PA)
Dennis DeConcini (AZ)
Mark Hatfield (OR)
Donald Riegle (MI)
John Chaffee (RI)
John Glenn (OH)
Carl Levin (MI)
George Mitchell (ME)
Jennings Randolph (VA)
Warren Rudman (NH)
John Melcher (MT)
Wendell Ford (KY)

Charles Percy (IL)
Mark Andrews (ND)
Paul Sarbanes (MD)
Robert Dole (KS)
Gary Hart (CO)
Paul Tsongas (MA)
Slade Gorton (WA)
Nancy Kassebaum (KA)
Edward Zorinsky (NE)
J. Bennett Johnston (LA)
Bill Bradley (NJ)
James Sasser (TN)
Joseph Biden (DE)

Daniel Moynihan (NY)
Quantin Burdick (ND)
Sam Nunn (GA)
Howard Metzenbaum (OH)
Dale Bumpers (AR)
Clairborne Pell (RI)
David Boren(OK)
Max Baucus (MT)
Daniel Inouye (HI)

Mr. MILLER. Thank you very much.

Let me first of all thank all of you for your continued work in this program. WIC was the first piece of legislation that I was privileged to carry when I came to Congress in 1975. I don't know how I got it, but it ended up in my hands at the direction of Senator Humphrey. It all worked out very well.

I would have to tell you that this program, as you know, is one of the few things where you can stand back 10 years later and be as proud of a Government program as you can of this one, because it exceeded all of our expectations, both in the cost benefit, in terms of what it has done for mothers and children, and the proficiency with which it has been run; that this program has never been tainted in terms of waste, fraud, and abuse, and the studies that have accompanied it have continuously reinforced to the Congress the value of this investment—and I truly mean an investment. We have gotten healthy babies and well babies and happy mothers for every dollar we have spent. We have obviously saved the Treasury a substantial amount of money in related health care costs had we not embarked on this program. That credibility is what has allowed us to carry on a bipartisan effort, both in the Senate and in the House, for the support of this program.

As you know, from time to time, there were efforts to convert this to the food stamp program or convert it to a straight nutrition program without the health component, and we have fought all of those efforts. I think that combination that each of you have testified here about, the health component along with the nutrition, along with the education, is what has provided the benefits.

I would hope that the WIC directors and the people running the programs and the centers will be able to assimilate the new money that the Appropriations Committee is about to make available and will be able to do it in the same proper fashion which they have been able to to use the money over this last 10 years. It is very important that it continue its reputation, because I suspect it is going to undergo some scrutiny from those individuals who simply do not agree with its goals. So far, study after study, as Dr. Kennedy has pointed out, has proven the benefit of the Government engaging in this effort.

So I just really want to thank all of you for your untiring effort and the support that you have given this program.

Ms. KOLODNER. Mr. Miller, are the additional appropriations passed a carryover or are they additional funds from last year? We were talking about the $100 million that Lorette was talking about.

Mr. MILLER. The $100 million is new money that is being put on top of last year's appropriation.

Ms. KOLODNER. May I make a plea with the committee and with the Congress, that they get that money to the States quickly, so that we are not left with it coming to us in May or June when it will be impossible for us to integrate it as you suggest.

Mr. MILLER. We will be in immediate touch—the appropriations should pass within the next 10 days, and we will be in immediate touch with the administration to make sure they don't engage in the kinds of activities they have engaged in in the past, to obstruct this program.

Ms. KOLODNER. Thank you.

Mr. MILLER. I know that Senator Dole has expressed that concern in the past, and others have. As a matter of fact, I suggest that your testimony gives us reason to call back the administration witnesses we have had on the WIC program because there is obviously a clear discrepancy against what they believe the program is doing and what you suggest that it is doing. We will reconcile that for the members of this committee.

Let me ask a question, Dr. Kennedy, and to the panel. You have outlined the trade-off of the reduction in number of low birth weight babies because of participation in this program, and the various studies have led us to believe that the results are, in terms of reduction, in the incidence of low birth weight babies.

But is there a credible, definitive study on what we can expect out of the population of low birth weight babies? If you have 1,000 low birth weight babies, what can we expect of that population in terms of the number of sight-impaired babies, of hearing-impaired babies, of neurologically handicapped babies? Is that information that is available?

Dr. KENNEDY. Yes.

Mr. MILLER. Because I think it is important that the Congress understands you are not simply trading weight categories here. As you point out in your testimony, you are trading some very long-term impairments to the child and to that family, but also what I expect in most instances will be the Federal Treasury. I just wondered what that universe of babies who are unfortunate enough to be in the low birth weight category, what that means in terms of handicaps.

Dr. KENNEDY. Several things. These data come from some studies that have been done over a period of years by a researcher called Lubchenko. I can give you reference on that.

The mortality statistics I think are very dramatic. Low birth weight babies are eight times more likely to die than are normal birth weight babies. From Lubchenko's data we also know that half of the low birth weight babies are going to have some developmental abnormality, things like blindness and deafness.

Now, the percentage of low birth weight——

Mr. MILLER. Excuse me. When you say some will have developmental abnormalities, deafness and blindness, is that typical?

Dr. KENNEDY. Yes. Half——

Mr. MILLER. I mean, is deafness and blindness typical of that abnormality?

Dr. KENNEDY. Of the types of developmental problems that you see in low birth weight babies, yes, it is, and other neurological problems. There is some mental retardation problems also associated with having a low birth weight baby. So your figure of 1,000 low birth weight babies, you would expect 500 of those to have some problems.

Now, the incidence of neurological problems increases the lower the birth weight becomes. My concern is that because of improved medical technologies, the concern is not that we're keeping more very low birth weight babies now alive—and by very low birth weight, I mean babies below 1,500 grams, so you're talking about roughly 3 pound babies and lower who are being kept alive. As you

get into that category of very low birth weight babies, the incidence of severe neurological abnormalities goes up.

In the work that we did, we saw not only a decrease in the number of low birth weight babies in WIC, but you also had fewer very low birth weight babies. So when you looked at WIC/non-WIC, even the low birth weight babies that were born to WIC mothers were less likely to be under 1,500 grams than were the non-WIC babies.

Mr. MILLER. Let me ask you again, if you were to break the universe of low birth weight babies down into what you call very low birth weight babies, can statistical statements be made about that universe? You said half of low birth weight babies. If you now took a universe of a thousand very low birth weight babies, can statements be made about that universe?

Dr. KENNEDY. Yes. I am trying to dredge out of my memory what the statistics are. It is dramatically higher.

Mr. MILLER. If the information is available, it is very important that this committee have it for the purposes of debate and discussion, both with the administration and with the Congress, as to the value of this program. If, in fact, as you point out, very low birth weight babies are more likely to survive because of medical advances, it is a category that must be dealt with.

Dr. KENNEDY. I don't know. Maybe some of the other panel members have statistics on that.

Dr. LANGHAM. I don't have any exact statistics on it, but I can support the statements that she makes.

Dr. KENNEDY. We would be happy to provide that.

Mr. MILLER. If you could provide for our record references, we will be delighted to go through them.

Miss Langham, did I understand you to say that you are closing a clinic?

Dr. LANGHAM. I said that we are no longer enrolling WIC participants. As of Monday, we had to put a complete freeze on enrolling new participants in our WIC program because we are exceeding our funding.

Mr. MILLER. If I can ask you to elaborate on that, would that include all priorities?

Dr. LANGHAM. All priorities were frozen as of Monday.

Mr. MILLER. So if a woman comes to you that is qualified medically and income-wise, who is 4 months pregnant, you're not going to take her?

Dr. LANGHAM. We cannot take her. Because of our increasing problems with unemployment and the increased number of people who are eligible, the freeze on priorities 3 through 7 did not reduce our participation as we had anticipated. In fact, we had about a 3,000 increase in January over December, instead of a 1,500 drop——

Mr. MILLER. The fact of increased enrollment because of unemployment, that brought you which priority participants, or was it across the board——

Dr. LANGHAM. Since October we have only been enrolling priorities 1 and 2, pregnant women and newborn infants.

Mr. MILLER. Is that right? The administration suggests that these programs are all serving priority 6's and 5's.

Dr. LANGHAM. We have some still on the program that have been enrolled earlier, but we are not enrolling any new patients, other than priorities 1 and 2, since the last week in October.

Mr. MILLER. Since the last week in October.

Dr. LANGHAM. We are only serving 50 percent of our estimated need, and we are only serving people below 150 percent of the poverty level as one means of caseload management, even though the legislation allows 185 percent.

Mr. MILLER. Is that true in Allegheny County? What is the situation there?

Ms. KOLODNER. At the present time we are eliminating any priorities beyond 3. Any child who is eligible just can't be taken on if we want to serve priorities 1 and 2.

We are most concerned, as I said, with priority 6, the postpartum woman. We don't have any studies on children. It is very difficult to take these children off because they are the very children whose families are unemployed. But after the 6 months that they are on—you can't take them off in the middle of their certification. But after they are on 6 months, at the end of that time we're taking them off.

Our caseload is frozen, and unless these appropriations come through that I was referring to before, they will drop from 14,600 to 13,200, which means another decrease.

The waiting list management is almost impossible. By the time people are——

Mr. MILLER. Let me ask you about your waiting list.

How many pregnant women are there, do you know?

Ms. KOLODNER. At the present time, I really couldn't number it. I think it was 700.

Mr. MILLER. 700 pregnant women. Have they been able to stop their pregnancies while you have stopped your priorities? The administration thinks you can turn pregnancy on and off, you know.

Ms. KOLODNER. I put them on hold, I really did. It is amazing what you can do with WIC.

Mr. MILLER. It is amazing what this administration can do with pregnant women, let me tell you.

Ms. KOLODNER. After 10 years, I think they can do almost anything. I guess that's my impatience. By the time things get passed here and trickle down to the county level—and then we're told we don't respond quickly enough. You know, we can't build our caseload overnight. We will try to reach people who have been put on these waiting lists, and any of you who are working in the WIC program know you can't reach participants. Once you have them there, that is the time to put them on the program, not to put them on a waiting list. They have to move; their mailing address is no longer viable——

Mr. MILLER. All right, all right, I believe you. [Laughter.]

Ms. KOLODNER. It's on and on, you know.

Mr. MILLER. Baltimore, what is the situation there?

Ms. KEISER. We are currently enrolling priorities 1, 2, 3, and 4, so the group that we are putting on the waiting list is priority 5, children at nutritional risk because of inadequate diet, and priority 6, postpartum women who are not breastfeeding.

Mr. MILLER. Priority 4, as I understand it, is pregnant and lactating women and babies at risk?

Ms. KEISER. Because of inadequate diet, yes.

Mr. MILLER. Up to what age? Priority 5 goes two to five, so you are dealing with the first year?

Ms. KEISER. One to five.

Mr. MILLER. So some of these children may be how old? God forbid we get an old one in here.

Ms. KEISER. They are terminated at their fifth birthday.

Mr. MILLER. So as you see priority 4, they could go up to 5 years of age—or no?

Ms. KEISER. Priority 4 does not address a specific age group. It goes across women, infants, and children as a diet code.

Mr. MILLER. Right. The operative factor in priority 4 is they are at nutritional risk.

Ms. KEISER. Yes.

Mr. MILLER. Thank you. So that's what your caseload is currently made up of.

Mr. Martinez?

Mr. MARTINEZ. No questions.

Mr. MILLER. Well, the committee is going to come in here to deal with the budget.

Let me just suggest that your testimony has been terribly helpful. I will make a decision quickly, but I have already discussed it with the committee, that it may be incumbent for us to call the administration back here, because either they have unbelievable ignorance of this program, or they have a criminal indifference as to what's going on out there. I would suggest their testimony to us yesterday was absolutely misleading as to what they lead us to believe is the status of the WIC program. So you have been very, very helpful.

Dr. Kennedy, I want to thank you for your help in terms of developing some of these cost benefit figures that were used with the Appropriations Committee to make a successful argument there. If you could get to us the references with respect to low birth weight babies, I would appreciate that very much.

Unless you have something else you would like to have the committee know, we will stand adjourned. Thank you again very much for your testimony.

[Whereupon, at 10:24 a.m., the subcommittee was adjourned.]

OVERSIGHT ON ADMINISTRATION'S BUDGET PROPOSALS FOR CHILD NUTRITION PROGRAM

THURSDAY, MARCH 3, 1983

HOUSE OF REPRESENTATIVES,
COMMITTEE ON EDUCATION AND LABOR,
SUBCOMMITTEE ON ELEMENTARY, SECONDARY
AND VOCATIONAL EDUCATION,
Washington, D.C.

The subcommittee met, pursuant to call, at 9:35 a.m., in room 2175, Rayburn House Office Building, Hon. Carl D. Perkins (chairman of the subcommittee) presiding.

Members present: Representatives Perkins, Goodling, and Packard.

Staff present: John F. Jennings, majority assistant general counsel; and Mary Jane Fiske, Republican senior legislative associate.

Chairman PERKINS. I must apologize because I am going to have to leave in about 20 minutes. There is a meeting of all of the chairmen in the Longworth Building.

Today the Subcommittee on Elementary, Secondary and Vocational Education is continuing its oversight in the President's fiscal year 1984 budget proposals for child nutrition.

Today we will be discussing the administration's proposal to consolidate the child care food program, the school breakfast program, and the summer food program into one general assistance block grant at a 28-percent in funds.

This 28-percent cutback is particularly harsh when we consider that 90 percent of the program funds now are targetted for low-income children.

I want to welcome the entire panel who are with us today and we are looking forward to hearing your testimony.

We have one, two, three, four, five, six, seven on the panel today. I am glad you are all here. It is good to see you.

Rev. George Chauncey, member of the Executive Committee of the Interreligious Taskforce on U.S. Food Policy, and we will hear you as you are listed.

Then Edward Cooney, National Anti-Hunger Coalition; Helen Blank, director, child care and family support services, Children's Defense Fund; Michael Lambert, program director, social and community services, Dioceses of Pittsburgh; Dr. Marian Houk, director, Annandale Christian Community Action Child Care Centers and coordinator, Virginia Coalition of Child Care Advocates; Geraldine Nichols, Nat Azarov Day Care Center, New York; and Lori Wein-

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stein, director, family day care advocacy project, the Children's Foundation.

We will start with you, Reverend Chauncey. Go ahead.

STATEMENT OF REV. GEORGE CHAUNCEY, MEMBER OF THE EXECUTIVE COMMITTEE, INTERRELIGIOUS TASKFORCE ON U.S. FOOD POLICY

Reverend CHAUNCEY. Mr. Chairman, I am George Chauncey of the Interreligious Taskforce on U.S. Food Policy. I am also director of the Washington office for the Presbyterian Church and a former pastor of a Presbyterian Church in Danville, Ky.

Mr. PERKINS. I am very familiar with that area, Danville.

Reverend CHAUNCEY. Right. The Interreligious Taskforce welcomes this opportunity to present testimony. We have submitted a statement for the record and I will just call attention to the highlights of it.

[The prepared statement of George Chauncey follows:]

PREPARED STATEMENT OF REVEREND GEORGE CHAUNCEY, INTERRELIGIOUS TASKFORCE ON U.S. FOOD POLICY

I am George Chauncey, former chair of the Interreligious Taskforce on U.S. Food Policy and currently a member of its Executive Committee. I am also Director of the Washington Office of the Presbyterian Church in the U.S.

The Interreligious Taskforce on U.S. Food Policy is a coalition of over two dozen national Protestant, Roman Catholic, Jewish and ecumenical agencies that work together for justice for the world's poor and hungry people. While the Taskforce speaks for itself only and not for the religious bodies that participate in its work, Taskforce testimony is generally consistent with the public policy recommendations adopted by those bodies. We welcome this opportunity to present testimony on the proposed General Nutrition Assistance Block Grant. We appreciate the concern and leadership demonstrated by this committee on this issue, particularly its ongoing support of federal responsibility for child nutrition programs.

The Taskforce opposes the proposed block grant and urges this committee to maintain separate funding for the school breakfast, child care food (CCFP) and summer food programs at a minimum of the fiscal year 1984 current services levels. We believe that these federal food programs should remain a federal responsibility and should be funded at a level adequate to allow the participation of all of those eligible for nutrition assistance.

In our testimony we want to do two things. First, we want to discuss the impact the fiscal year 1982 and fiscal year 1983 budget cuts have already had on the child nutrition programs included in the block grant proposal. Second, we want to examine the proposal and set forth our reasons for recommending that it be rejected.

THE IMPACT OF FISCAL YEAR 1982 AND FISCAL YEAR 1983 CUTS

Child nutrition programs have consistently been the target of the budget ax in the last two years. For fiscal year 1982, all child nutrition programs were cut (from the current services levels): School breakfast, by 20 percent; school lunch, by 30 percent; summer food services, by 40 percent; child care food, by 33 percent; and special milk, by 79 percent.

The impact on the school breakfast, child care, and summer food programs was particularly harsh. The 33 percent cut in the child care food program meant two fewer meals a day for needy children. The 40 percent cut in the summer food service program eliminated nonprofit sponsors, including religious groups, who served at least 500,000 of the 1.8 million children participating in 1982. We understand that nonprofit groups were eliminated in the belief that the larger sponsors posed the greatest risk in committing fraud. Yet religious (and many other) nonprofit groups were not necessarily the largest sponsors. They were among the few kinds of organizations willing to sponsor the program. The 20 percent cut in the school breakfast program resulted in over 650 schools discontinuing the program, with 500,000 children—70 percent of them from low income families—no longer receiving the bene-

fits. Nearly 90 percent of the federal funds in these three programs go for meals for low income children.

For fiscal year 1983 the administration proposed another round of cuts in child nutrition programs including eliminating the summer food service program and consolidating the school breakfast and child care food programs into a new block grant with a 33 percent reduction in funds. Congress soundly rejected both the proposed cuts and the block grant proposal, and funded child nutrition programs at the current services level. In fact, under this committee's bipartisan leadership, the House of Representatives went even further by passing a resolution (H. Con. Res. 384) supporting continued federal responsibility for child nutrition programs. (We refer you to our testimony submitted on that resolution October 25, 1982.)

The Taskforce has been reviewing the effect of cuts in domestic nutrition programs on the nutritional status of Americans. Though some of those programs fall outside the purview of this committee, we want to share with you what we have learned.

The combined impact of the cuts has been to halt the recent progress made in reducing domestic hunger. On the December 26, 1982 CBS-TV program, "Face the Nation," Dr. Jean Mayer said, "We are seeing hunger reappear . . . a growing number of people cannot afford what nutritionists consider a minimum diet." Surveys conducted by the US Conference of Mayors ("Human Services in fiscal year 1982," October, 1982) and other groups indicate that the demand for emergency food and related services has risen dramatically this year. Soup kitchens are appearing just as they did several decades ago. Children and the working poor have suffered disproportionately.

Ironically, these budget cuts come on the heels of numerous recently published studies documenting the cost-effectiveness of these programs. In January, USDA released a study (known as the Popkin Report, 1982) which shows that the school lunch and breakfast programs significantly improve the nutrition and health of participants, especially the poor. In 1980, a CBO study rated the school breakfast program as highly effective.

More importantly, the recent and proposed cuts come at a time when the official poverty rate is at 14 percent—the highest rate since 1967. The Census Bureau also reports that children constitute much of the increase (a 7.4 percent increase just in 1981): one of every five children is considered poor.

In light of these considerations, Congress should fund these programs at a minimum of the fiscal year 1984 current services level. We urge you to go further, however, and restore the free and reduced price meal eligibility to the pre-fiscal year 1982 levels and to restore nonprofit sponsors to the Summer Food Service program. It simply does not make good financial sense to reduce funding for such cost-effective programs. And we can see no moral justification whatsoever, given all the recent tax benefits for the wealthy, to take food out of the mouths of needy children.

We turn now to the block grant proposal.

THE PROPOSED BLOCK GRANT

The General Nutrition Assistance Block Grant would terminate the child care food summer food services and national school breakfast programs as they now exist, and consolidate them into a block grant to the states. Funded at $535 million, the block grant would receive $217 million less than the amount required to operate those programs in fiscal year 1984 ($752 million). This change would represent a 29 percent cut in combined funds, and funds for these programs would decrease every year for the next few years. The block grant would be a discretionary program, without any built-in adjustments for food price increases. The administration's budget assumptions indicate a 40 percent cumulative cut in these programs by fiscal year 1988.

The block grant porposal presents problems for the states as well as for these child nutrition programs. Rather than providing states with "greater flexibility" as the administration often claims, this proposal asks the states to increase their funding responsibility for nutrition assistance programs. The proposed reduction in federal funding would provide states only the unwelcome "flexibility" of being compelled to make fateful choices regarding which urgently needed social services they will provide.

MAINTAIN SEPARATE FUNDING

We believe there are sound economic, programmatic, and moral reasons for rejecting the General Nutrition Assistance Block Grant. Our arguments deal with the

impact on the states, the effect on the three different programs of this proposal, and with the moral responsibility of the federal governme[illegible].

1. *Most states cannot afford to keep up the programs on their own.*—More than half of the states already face serious deficits and cannot afford to replace lost federal funds. The administration claims that administrative savings will offset the loss of federal funds. In fact, a recent GAO study found that block grants have produced little in administrative savings.

In future years the gap between the lost federal funds and the increased need would rise during recessions and periods of high inflation. Individual states would be forced to respond to their own regional and economic conditions and differences. Only the federal government can provide an equitable level of assistance for states and regions disproportionately affected by such problems as rising unemployment.

3. *The block grant would damage the integrity and effectiveness of the summer food services, child care food, and school breakfast programs.*—We see no logic in combining these three particular progams. The school breakfast program is most closely allied with the school lunch program in terms of administrative expenses and work. The breakfast and child care programs are often operated by different institutions at the local level and in some cases by different departments at the state level. Summer food service sponsors differ from school breakfast and child care administrators. We think it unlikely that states could save a significant amount of time and money from the block grant.

"Turning back these programs would have a disproportionately adverse effect on them in comparison with other child nutrition programs which enjoy greater political support. The school breakfast and summer food programs are not operating in all the places where they are needed, even now. It seems highly unlikely that, "turned back," these programs would ever be expanded to meet emerging need. Moreover, the programs would lose the entitlement and indexing features of current law.

Of course the most important effect of the block grant would be its effect on our nation's children, especially those from low income families. The lack of federal guidelines for the programs and the increased burden on states unprepared to accept them would probably result in the loss of nutrition assistance to some low income children. Endangering the nutritional well-being of children is not a morally appropriate way of reducing the federal deficit or rearranging national and state responsibilities.

3. *Finally, the moral responsibility of guaranteeing the right of every citizen to a nutritionally adequate diet rests and should remain with the federal governemt.*— It is precisely because some states would not or could not take adequate steps to address the problem of child malnutrition in their midst that the federal government originally assumed responsibility. This history belies the administration's claim that state-run programs would be more effective. Nutrition standards would vary greatly among states without federal guidelines and oversight. Only the federal government can ensure the right of all children to an adequate diet.

We are one nation, one people, with a common obligation to care for one another. The adequacy of a child's nutrition should not be subject to the accident of geography. To the extent that this nation's real security depends on a healthy, well-nourished population, the federal government has an independent interest and responsibility for seeing that all the nation's children are adequately fed.

Reverend CHAUNCEY. The proposal that is before this committee has two main features as you just mentioned. One feature is to reduce the funding for these child nutrition programs by 28 percent and to reduce it further in future years. The other dimension of the proposal is to combine this reduced funding into a block grant.

The task force strongly urges this committee and the Congress to reject both dimensions of this proposal, as you did last year and to reject it with such vigor that slow learners in the administration will come to see that the Congress does not intend for needy American children to go hungry.

In our written statement, we first summarized some of the effects of the cuts made 2 years ago on these programs and on hungry children in America. Then the second part of our testimony deals with the block grant itself.

The basic children nutrition programs were cut substantially 2 years ago by Congress upon recommendation of the administration: school breakfasts by 20 percent, school lunch by 30 percent and summer food services by 40 percent, the child care food by 33 percent, the special milk program by 79 percent.

The impact of these cuts that have already been made was particularly harsh on needy children. The 33 percent cut in child care food program, for example, meant two fewer meals per day for needy children. The 40-percent cut in the summer food services eliminated nonprofit sponsors, including many religious groups who served at least half a million of the 1.8 million children that were served.

Last year, the administration proposed similar cuts and the Congress rejected those proposals, thanks in large part to the leadership of this committee and we express our deep appreciation for the leadership that this committee has provided in rejecting these proposals.

We urge you to fund these proposals at a minimum of the fiscal year 1984 current services level. In addition we urge you to restore the free and reduced price meal eligibility to the pre-1982 levels and to restore nonprofit sponsors to the summer food service program.

Regarding the proposed block grant, we urge you to reject this for three reasons. One is that most States simply cannot afford to keep up the programs on their own. The New York Times reported this morning that every State except two, Alaska and Texas, faces a severe budgetary crisis. It is quite likely that if this block grant is enacted that many of these programs will be lost.

Second, the block grant would damage the integrity and the effectiveness of these programs and also hurt the children for whom these programs were designed. Finally, we call attention to the fact that the moral responsibility for guaranteeing the right of every child to a nutritiously adequate diet rests and should remain with the Federal Government.

We are one nation, one people with a common obligation to care for one another. The adequacy of a child's nutrition should not depend upon the accidents of geography. No child in America should go hungry simply because she or he did not have the good sense to be born in a more affluent State.

Every child has a right to an adequate nutrition. It is the responsibility of the Federal Government to insure that right. We urge you to fulfill that moral obligation.

Chairman PERKINS. Thank you very much.

All right, Mr. Cooney. Go ahead.

STATEMENT OF EDWARD COONEY, NATIONAL ANTI-HUNGER COALITION

Mr. COONEY. Thank you, Mr. Chairman. I appreciate the opportunity to testify before this distinguished committee. We also recognize the strong bipartisan support which this committee has always evidenced in terms of child nutrition programs, with the possible exception of fiscal year 1982.

I will address issues relating to specifically the school breakfast program and the summer food service program.

Mr. Chairman, you may be one of the few Members of Congress that remembers the original reasons for having a school breakfast program. Among those were the long bus rides that children had in rural areas to school. But the specific statutory reasons for these programs are that they are designed to safeguard the nutrition and health of our Nation's children.

USDA testified before this committee on Tuesday that they shared this committee's concern for child nutrition programs. However, in 14 pages of testimony, this language does not appear. The Department, instead, states that its modest goals for fiscal year 1984 are to, one, simplify program administration, reduce error, and deter fraud, and curtail the growth in benefit programs.

With 12 million unemployed and 1 million low-income children dropped from the school lunch program, and 500,000 children dropped from school breakfast, these goals may establish these USDA officials as the greatest underachievers of all time.

The callous indifference of this agency's treatment of programs for needy child is matched only by its calculated carelessness with which it reports new studies which I will refer to in a minute.

Despite the fact that low-income children receive anywhere from one-third to one-half of their daily nutrient intake, USDA continues to propose cuts in child nutrition programs.

Mr. Chairman, we submit that a hungry child cannot learn. We base this statement and the support for this by the acknowledged health professionals like Dr. Reed from the National Institutes of Health, who reports that a hungry child has problems with apathy, becomes disinterested and irritable when facing a difficult task. He is also alone. The effect of lack of nutrition for this child means that he will not be able to fulfill his full educational potential.

USDA testified before this committee that a recent national study found the school breakfast program wanting. This particular statement, we feel, is inaccurate and misleading. It is what we refer to as a classic USDA stew, which consists of a spot of vague and deceptive policy interpretations to which one adds a dash of fraud, waste, and abuse and, presto, you have a national child nutrition policy.

What happened in that particular study, which USDA referred to, was that there was a specific finding that the school breakfast program is a superior child nutrition program, particularly in nutrients found in milk. What the study did show was there were nutrients other than milk that were needed to improve the meal pattern.

What USDA did after they received this $4 million survey, which this committee helped on, which took 2 to 3 years to complete, was that they took a look at a specific finding which said that the program did provide milk-related nutrients, but was short in other nutrients. Instead of recommending that you change the meal pattern in order to reflect additional protein, USDA responds that the program should be eliminated, replaced by a block grant minus 28 percent of its funds.

To say that this particular study showed that school breakfast was wanting is a tragic and deliberate misrepresentation of known

facts. A USDA study released in December 1982 at their outlook conference entitled "The Nutritional Effect of School Lunch and School Breakfast Programs" also conflicts with USDA statements here on Tuesday.

In that study, Barry Popkin of the University of North Carolina stated that participation in the school lunch and school breakfast programs is associated with improvements in nutrition, in nutrient intakes frequently found to be underconsumed by children of school age. Participation is particularly important for low-income children of all ages for whom the nutritional benefits are even greater than for children in higher income households.

This study which is available to the public and which I would like attached to my testimony stands in direct contradiction to that submitted here on Tuesday.

The study also shows about how participants in the national school lunch program have greater energy and other nutrients, including vitamin A, B^6, calcium, and magnesium. These are nutrients that historically are underconsumed by low-income children.

Now this study is a study between children that participated in the national school lunch program and children who eat lunch at school, but do not partake in the program. You can imagine the difference for those millions of children that are out there going hungry in the school system because of these budget cuts that are not looked at in this study.

[The study by Prof. Barry M. Popkin, "Nutritional Effect of School Lunch and School Breakfast," follows:]

NUTRITIONAL EFFECT OF SCHOOL LUNCH AND SCHOOL BREAKFAST

OUTLOOK '83

TALK by John S. Akin, Jeff S. Bass, David K. Guilkey, Pamela S. Haines, and Barry M. Popkin (presentor) University of North Carolina at Chapel Hill at the 1983 Agricultural Outlook Conference, Session 25, Washington, D.C.

For Release: December 1, 1982

During the late 1960s and 1970s, the issues of poverty and undernutrition claimed national prominence. While nutritional imbalances and deficiencies were clearly not limited to low income persons, a disproportionate number of the low income were undernourished. A large proportion of the poor were children of school age. In order to address the nutrition and poverty issues, new federal programs were developed and adjustments were made in existing federally sponsored programs. As examples, the National School Lunch Program (NSLP), in operation since 1946, was authorized to increase federal per-meal reimbursements so that free and reduced-price meals could be served to greater numbers of poor children. The School Breakfast Program (SBP), originally a pilot program targeted to children in schools in low income districts, was made a permanent program and funding was made available to all schools that chose to offer the breakfast program. Until recently, however, no study based on a nationally representative sample of children has assessed how participation in the NSLP and the SBP affects the nutrient intake of school age children. In a series of studies, we have examined the ways in which school lunch and school breakfast participation affect the nutrient intakes of children at all income levels.

Nutritional Status of School Age Children

To determine whether public expenditures for school feeding programs can be justified on nutritional grounds, it is important to review the nature and extent of nutritional imbalances and undernutrition among school age children. Several national surveys have provided dietary, clinical, and/or biochemical measurements useful for assessing nutritional status. These include the 1977-78 Nationwide Food Consumption Survey (NFCS) and the Health and Nutrition Examination Survey of 1971-74 (HANES I). As table 1 shows, based on the HANES I data, serious indications of nutritional deficiencies--the presence of clinical symptoms--are generally present only for a small proportion of the school age population. Teenagers below the poverty level, however, are the exception. Between 6 and 19% of all poor teenagers were found to have clinical symptoms of calcium and niacin deficiency. In general, among HANES I children, nutrient deficiencies were more prevalent among the children from low income families, among blacks, and among teenagers. Milder subclinical deficits are widespread in the population. Deficiencies such as

these may have long term effects, ranging from limiting of growth (particularly for the adolescent) and impairing of the quality of dental health, to contributing to limited attention spans.

Table 1. Prevalence of clinical symptoms indicative of nutrient deficiency (Percentage of children in the category suffering clinical symptoms)

	6-12 years		12-18 years	
	Below Poverty	Above Poverty	Below Poverty	Above Poverty
Calcium				
whites	5.7%	4.5%	14.8%	12.5%
blacks	7.6	6.4	18.9	12.4
Vitamin A				
whites	7.9	5.9	10.6	6.5
blacks	14.7	2.6	7.6	5.1
Vitamin C				
whites	3.6	4.5	29.1	9.0
blacks	7.8	1.0	27.8	19.2
Niacin				
whites	4.2	3.9	6.1	7.2
blacks	2.8	11.0	18.6	10.4

Nutrient intake studies of school age children generally support the findings of the clinical studies. Nutrients most likely to be consumed in inadequate quantities are energy, iron, calcium, riboflavin, vitamin B6, and magnesium. Although average intakes of Vitamin A and Vitamin C usually exceed the Recommended Dietary Allowance (RDA), excessive consumption by some students obscures the very low intakes of others. Among children of ages 6 to 11 in our NFCS samples, one quarter or more consumed less than two-thirds of the age-adjusted RDAs for energy, Vitamin B6, and Vitamin A. Even more of the teens had poor diets. One quarter or more of all sample teenagers ages 12 to 18 consumed less than 60 percent of the RDA for Vitamin B6, Vitamin A, iron, and calcium. The diets of teenage girls were consistently lowest in their nutrient adequacy ratings.

Presence of clinical symptoms indicative of nutrient deficiencies and a widespread underconsumption of selected nutrients within the school age population indicate that a public health problem does exist. Although it is currently popular to attempt to link child health practices, such as excessive consumption of energy, saturated fat, cholesterol, and sodium, to the probability of developing any

number of adult chronic disease states, it is important to emphasize that nutrient underconsumption may tend to have important and immediate developmental and behavioral consequences.

Research Framework

We have conducted a series of analyses to determine the ways participation in the NSLP and SBP affects the nutrition of school age children (1). Results discussed below are based on multivariate, statistically controlled regression analyses. The samples consist of school age children selected from the individual files of the Basic and Low Income samples of the Nationwide Food Consumption Survey (NFCS), 1977-78, and the Survey of Food Consumption in Low-Income Households, 1979-80. In each study, individual average one-day nutrient intakes are the primary measures we compare among children. In general, results presented here are for children in the Basic Sample of the 1977-78 NFCS. We statistically control for school meal program participation and other factors thought to affect levels of nutrient consumption among children. These control factors include demographic, socioeconomic, and individual child characteristics--such as age, sex, ethnic background, and anthropometric measures--all of which may influence food consumption patterns. The analyses are presented for two groups of children, those 6 to 11 years old and those 12 to 18 years old.

School Lunch Participation

Children 6 to 11 years old. School Lunch Program participation makes an important contribution to the diets of children of all ages. When we control for all other factors thought to influence consumption, so that the only difference between students is school lunch participation, younger children who participate in the school lunch program consume more of every nutrient during a 24-hour period than do children who do not participate. The magnitude of the impact for each of the younger children can be quite sizable. For example, as shown in Table 2, for children of all incomes, school lunch participants consume about 6 percent more of their energy requirement than do nonparticipants who eat other kinds of lunch. Participants consume about 20 percent more of the RDAs for calcium, iron, and Vitamin B6, and about 25 percent more of the Vitamin C and riboflavin (not shown) RDAs. School lunch participants also consume 67 percent more of the Vitamin A RDA than do children who eat other kinds of lunches, such as a la carte meals or brown bag lunches from home. Over the same one-day time period, children who eat other, non school lunches do not seem to consume any more calcium, iron, or Vitamin B6 than do children who eat no lunch. Therefore, school lunch participation is particularly important for children ages 6 to 11. Not only does participation increase intakes, but three of these nutrients--energy, Vitamin A, and Vitamin B6--have been identified as particular nutritional problems for younger children.

Table 2. Selected School Lunch Program Benefits, as a Percentage of the Recommended Dietary Allowance, Children Ages 6-11, NFCS Basic Sample, 1977-78

	Benefits relative to children eating other kinds of lunches*	Benefits relative to children who eat no lunch
Energy	+6%	+15%
Calcium	+19	+12
Vitamin B6	+21	+23
Iron	+19	+20
Vitamin A	+70	+28
Vitamin C	+21	+67

* For example, over a 24-hour period, children who participate in the school lunch program consume 6 percent more of the energy RDA than do children who eat other kinds of lunches and 15 percent more than children who eat no lunch.

Adolescents ages 12 to 18 years. Teenagers also benefit substantially from School Lunch Program participation. Over a day's time, when all other factors affecting consumption are accounted for, school lunch participants consume more of all nutrients than do nonparticipants. As seen in Table 3, nutrients frequently consumed in inadequate quantities by teenagers, teenage school lunch participants consume about 7 percent more of the niacin RDA (2) and 15 percent more of the RDAs for calcium and Vitamin B6. Similarly, older participants show the benefit of school lunch consumption with intakes of riboflavin and Vitamin A which are 24 to 44 percent of the RDA higher than the intakes of nonparticipants.

Because clinical symptoms of calcium and Vitamin A deficiencies have been noted among teenagers, and dietary intakes of calcium, riboflavin, Vitamin A, and Vitamin B6 are particularly low for a sizable proportion of this population, school lunch participation obviously fills important nutritional gaps for this group.

Table 3. Selected School Lunch Program Benefits as a Percentage of the Recommended Dietary Allowance, Teenagers Ages 11-14, NFCS Basic Sample

	Benefits relative to children eating other kinds of lunches		Benefits relative to children who eat no lunch	
	Males	Females	Males	Females
Energy	+8%	+10%	+18%	+23%
Calcium	+16	+17	+26	+26
Niacin	+7	+10	+18	+23
Riboflavin	+24	+30	+32	+39
Vitamin B6	+13	+13	+19	+20
Iron	+7	+7	+15	+15
Vitamin A	+35	+44	+30	+38
Vitamin C	+11	+11	+36	+36

Low Income Children. When we look at the impact of school lunch participation for children at differing levels of income, it becomes obvious that the school lunch program makes a particular difference for children of poorer households. For example, young school lunch participants in households with incomes below the poverty index not only consume more energy than do similar children who eat other kinds of lunches, but the size of energy benefit is twice as large (10 percent of the RDA) as the energy impact for similar participants from households with higher incomes (5 percent of the RDA). Similarly, poor, younger NSLP participants consume approximately 22 percent more of the Vitamin B6 RDA than do children eating other types of lunches.

The nutrient intake benefits of school lunch participation are even greater for low income teenagers than for their younger counterparts. Table 4 presents differences between teens in high and low income households. Low income teenage school lunch participants consume approximately 728 kilocalories per day more than do poor adolescents who eat other types of lunches. This is about one-third of the teenage girls' energy requirement and about one-fourth of the male RDA. (In contrast, at higher income levels the energy impact is only 169 kilocalories.) From our research, it is impossible to determine if this sizable energy impact contributes to overweight among low income teenagers, or even if it can be said with certainty that school lunch participation provides food and nutrients where none

would have been consumed in the absence of the program. It is clear, however, that overall diets of the poorest teenagers are greatly helped by school lunch participation. Low income teenage participants consume over 40 percent more of the Vitamin B6 RDA than do nonparticipants--a finding of particular nutritional significance among teenage girls who traditionally have very low intakes of this nutrient. Similarly, low income teenage school lunch participants consume nearly 30 percent more of the iron RDA than do nonparticipants, in contrast to a 6 percent benefit for teen participants in higher income households. Since iron deficiency is a major public health problem, particularly among adolescents, these nutrient benefits can make important health contributions. Vitamin A benefits of school lunch participation are also significant and impressive. Higher income students add about 20 percent of the Vitamin A RDA when they consume school lunch. For low income teens, participants consume nearly 80 to 95 percent more of the RDA than do other poor teenagers who eat other forms of lunch.

Table 4. Selected School Lunch Program Benefits, as a Percentage of the Recommended Dietary Allowance, NFCS Basic Sample, 1977-78

	Poor Teenagers*	Higher Income Teenagers*
Females		
Energy	33%*	8%
Vitamin B6	40	11
Iron	28	6
Vitamin A	97	25
Males		
Energy	27%	6%
Vitamin B6	40	11
Iron	28	6
Vitamin A	77	20

* These results compare the 24 hour intakes of school lunch participants to the intake of similar income teenagers who consume other kinds of lunches.

School Breakfast Participation

Children 6 to 11 years old. Children who consume school breakfast also have diets superior to those who eat other kinds of breakfast, but the relative nutritional impacts are not as consistently significant as those between school lunch participants and those eating other kinds of lunches. Over a day's time, younger children who participate in the School Breakfast Program consume more

Vitamin B12, riboflavin, and Vitamin A than do children who eat other forms of breakfast.

Although we have no scientific research results to support this contention, it is almost certain that the availability of a School Breakfast Program increases the frequency with which some children eat a breakfast. For the younger child who eats a SBP breakfast, but would not have eaten a breakfast in the absence of the program, the nutritional benefits are important. Breakfast consumption increases the day's nutrient intake of every nutrient, relative to intakes of the group of younger children who eat no breakfast. For energy, the impact is nearly one-quarter of the RDA. The Vitamin B6 and iron intakes of breakfast eaters are one-third of the requirements greater than those of nonbreakfast eaters. Vitamin C intakes are increased by nearly the size of the entire Vitamin C RDA. The calcium consumption impact approaches 40 to 45 percent of the calcium RDA.

Clearly, Vitamin A, energy, Vitamin B6, Vitamin C, and calcium are nutrients underconsumed by large portions of the preteen population. For children who normally eat other types of breakfast, of the above nutrients, School Breakfast Program participation appears to contribute to improved Vitamin A nutriture. For children who eat a SBP breakfast where breakfast would not have been eaten otherwise, the nutritional implications of participation are much more important.

Table 5. Selected School Breakfast Program Results, as a Percentage of the Recommended Dietary Allowance NFCS Basic Sample, 1977-78

	Benefits relative to children eating other kinds of breakfast	Benefits relative to children who eat no breakfast
Younger Children		
Energy	3%*	23%
Calcium	28	72
Vitamin B6	31	72
Iron	31	66
Vitamin A	348	380
Vitamin C	38	127
Older Children		
Energy	15%	35%
Calcium	44	75
Vitamin B6	15	38
Iron	23	42
Vitamin A	21	16(1)
Vitamin C	32	91

* These percentages are calculated from results with various levels of statistical signficance.

Adolescents ages 12 to 18 years. Over a one-day period, when we control for other factors affecting teen nutrient intake, adolescent School Breakfast Program participants consume more protein, calcium, riboflavin, magnesium, thiamin, and iron than do teens eating other kinds of breakfasts. The calcium (45 percent of the RDA), riboflavin (65 percent of the female RDA and about 50 percent of the male RDA), and iron (nearly 25 percent of the RDA) intake impacts have particular nutritional status importance. When one considers that these differences are for teens who differ only in that one eats a school breakfast and one eats a nonschool breakfast, the magnitudes of the effects are even more impressive.

As with the younger age group, if a teenager consumes a school breakfast, but would not have eaten breakfast were the program not available, the nutritional implications are even more comprehensive. Relative to teenagers who do not consume breakfast, School Breakfast Program teenage participants consume more of every nutrient except Vitamin B12 and Vitamin A. For this group, who may be encouraged by the presence of the SBP to eat breakfast, daily riboflavin intakes are nearly 100 percent of the RDA greater; with calcium intakes, 75 percent; Vitamin C intakes, at least 50 percent; iron intakes, 40 percent; Vitamin B6 intakes, 35 percent; and niacin intakes, 30 percent greater than for comparable teens who do not eat any breakfast. While the growth and development implications of these additions are important for both sexes, given the larger proportion of teenage females with inadequate dietary intakes, these impacts are particularly significant for the females.

Low income children. As with school lunch participation, the nutrient intake impacts of school breakfast participation are greatest among children from low income households. As examples, among low income children ages 6 to 11, participants consume over 10 percent more of the energy RDA than do children eating other kinds of breakfasts. Similarly, low income SBP participants consume 25 percent more of the RDA for calcium, 30 percent of the riboflavin RDA, 15 percent of the Vitamin B6 RDA, and 85 percent more of the Vitamin C RDA, relative to daily intakes of children who eat other types of breakfast.

As is the case with higher income students, daily nutrient intakes are augmented for low income younger students who eat a school breakfast but would not eat breakfast if the program were unavailable. Adolescents from poorer households also receive substantial nutritional benefits from School Breakfast Program participation. Relative to intakes of other low income teens who consume other kinds of breakfasts, over a one-day period, SBP participants consume substantially more calcium, Vitamin B6, riboflavin, and Vitamin A. When availability of a SBP encourages a low income teen to eat a breakfast, daily intakes of every nutrient increase. Teens in this low income category consume larger quantities of Vitamin B6, Vitamin A, and Vitamin C relative to higher income teens.

Nutrition Implications

Participation in the School Lunch and School Breakfast Programs results in increased nutrient intakes. These increases are particularly important for nutrients such as energy, calcium, riboflavin, iron, Vitamin B6, and Vitamin A, for which we have either clinical evidence of deficiency within the school age population or dietary survey evidence indicating consumption below recommended levels by significant segments of the school age population. However, the nutritional effects of school meals participation can also be judged by determining how participation affects the overall diet quality, or the nutritional balance of a diet. Since each nutrient has a metabolic function, independent of intakes of other nutrients, consistent low intake of even one nutrient can have deleterious health effects.

In our analyses, we have identified factors which influence the level of nutrient consumption for the nutrient considered least adequate for each surveyed child in terms of the percentage of the RDA. This RDA for the least adequate nutrient is termed the minimum nutrient adequacy ratio. Selected results of this analysis are presented in Table 6. Across all samples and for all ages, participation in a school lunch program raises the level of the minimum nutrient adequacy ratio by 14 to 17 percentage points, relative to that of students who eat other types of lunches. In general, consumption of a nonschool lunch is not associated with a significant change in the minimum nutrient adequacy ratio. Only for adolescents in the Basic sample is nonschool lunch consumption associated with any increase in the level of consumption of the most deficient nutrient.

School Breakfast Program participation is even more important in helping children to achieve balanced diets. Within our Basic sample, the level of the minimum nutrient adequacy ratio is approximately 30 percent higher for SBP participants than for children who eat other types of breakfasts. If, in fact, availability of a school breakfast program encourages school age children to eat breakfast who normally would not, the nutritional benefits are even more striking. Among children of all incomes, the minimum nutrient adequacy ratio of SBP participants is approximately 50 percent higher than that of children who do not eat breakfast. This result is found for both age groups. By any interpretation, School Breakfast Program participation and School Lunch Program participation improve the nutrient balance of diets of children of school age. Not only does school meal program participation augment intakes of many individual nutients, but such participation increases nutrient intakes for those nutrients most in need of supplementation--nutrients normally consumed in inadequate supply by school age children.

Table 6. Impact of School Meals Program Participation on Levels of Minimum Nutrient Adequacy Ratio

	Younger Children	Older Children
SBP participation benefits relative to children eating other types of breakfast	30%*	34%
SBP participation benefits relative to children eating no breakfast	58%	52%
NSLP participation benefits relative to children eating other types of lunch	17%	14%
NSLP participation benefits relative to children eating no lunch	19%	21%

* For example, the least adequately consumed nutrient (Minimum Nutrient Adequacy Ratio) is 30 percent of the RDA greater for School Breakfast Program participants than for children who eat other kinds of breakfasts.

Summary and Implications

Participation in the School Breakfast and School Lunch Programs is associated with improvements in nutrient intakes frequently found to be underconsumed by children of school age. Participation is particularly important for low income children of all ages, for whom the nutritional benefits are even greater than for children in higher income households.

If one evaluates the effectiveness of the school meals program on the basis of improvements in the dietary quality of participating children relative to children who are not participating--particularly for low income children--our analysis provides strong evidence that participation is associated with increases in nutrient intakes for some of the most needed nutrients. For younger children, particular needs for increases in energy, Vitamin B6, and Vitamin A intakes are met by program participation. Among teenagers, participation helps to fill several nutritional gaps--notably for calcium, Vitamin B6, Vitamin A, and iron. Where program availability results in a child's consuming a meal where a meal would otherwise not have been consumed, a substantial nutritional benefit is seen. This benefit is particularly evident where School Breakfast Program availability encourages consumption of breakfast. Strong evidence that participation in either the NSLP or SBP helps to improve the nutritional balance of diets of school age children is provided by the

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fact that the level of consumption for the least adequately consumed nutrient is signficantly increased.

While relatively more significant individual nutritional benefits are realized by low income children, children in higher income levels also receive important benefits. Because some children at all income levels underconsume selected nutrients, program participation helps to fill the needs of all groups of children. Serious nutritional problems exist among segments of the adolescent population. That adolescent participants particularly benefit from the school meals programs is added evidence that school meals programs are a viable and effective means for improving the health of the nation's children.

Footnotes

1. For complete results, the interested reader may refer to:

   Popkin, B., Akin, J., Haines, P., MacDonald, M. and D. Spicer (1980) "Nutrition Program Options for Maternal and Child Health." Institute for Research on Poverty, University of Wisconsin, Madison, Special Report Series No. SR28.

   Akin, J., Guilkey, D., Haines, P., and B. Popkin (1982) "The Nutrient Impact of School Feeding: A. The National School Breakfast Program, B. The National School Breakfast and Lunch Program Interactions." Completed for USDA Contract #53-3244-9-191.

   Akin, J., Guilkey, D., and B. Popkin (1982) "Impact of the School Lunch Program on Nutrient Intake: A Switching Regression Analysis." (Under final journal review).

   Akin, J., Guilkey, D., Haines, P., and B. Popkin (1982) "The Impact of the School Lunch Program on Nutrient Intakes." School Food Service Research Review (in press for 1983 winter edition).

2. This RDA refers to niacin and we have data only for preformed niacin.

Mr. COONEY. This is a best-case scenario.

In conclusion, Mr. Chairman, we would like to join the interreligious task force in their recommendations and other recommendations that you will hear from the children's defense fund in restoring some of the cuts that happened in child nutrition, particularly those that happened in terms of free and reduced price meal eligibility, sponsorship in the summer food program and we would also urge you to take a look at the school breakfast program in terms of restoration.

Thank you.

[The prepared statement of Edward M. Cooney follows:]

PREPARED STATEMENT OF EDWARD M. COONEY, FOOD RESEARCH AND ACTION CENTER

Mr. Chairman thank you for the opportunity to testify before this distinguished Committee and its bipartisan support for child nutrition programs. I will address issues relating to the Administration's General Nutrition Assistance Grant (GNAG), specifically the School Breakfast Program (SBP) and the Summer Food Service Program for Children (SFSPC). Other members of the panel will comment on the wisdom of emasculating the Child Care Food Program, the principal federal program which allows low income parents to work by making it possible for child care centers and homes to provide nutritious meals to their children.

Mr. Chairman, you may be one of the few members of Congress who remembers the original reasons for establishing the School Breakfast Program. As you recall the original purpose was to provide a nutritious meal to children who arrived hungry at school because they had a long bus ride each day. Children who worked early in the day on the farm often were hungry because they arose so early and then waited for the school bus to start their trek to school each day. Congress passed the Child Nutrition Act of 1966 because of the rather straightforward reasoning that a hungry child cannot learn. The school lunch and breakfast program are designed to: "safeguard the nutrition and health of our nation's children."

Spokespeople for the U.S. Department of Agriculture testified before this Committee on Tuesday and stated that they shared the Committee's concern for child nutrition programs. However, it is interesting to note that in the Department's 14 pages of testimony this statutory statement of purpose does not appear. Rather the Department states that its modest goals for fiscal year 1984 are to: (1) Simplify program administration; (2) reduce error and deter fraud; and (3) curtail the growth rate in benefits.

With 12 million people unemployed and 1 million low income children dropped from the National School Lunch Program, and 500,000 low income children dropped from the School Breakfast Program these goals may establish these USDA officials as the greatest underachievers of all time. The callous indifference of this Agency's treatment of programs for needy children is matched only by the calculated carelessness with which it reports new studies which allegedly suggest that child nutrition program do not meet the needs of hungry children. USDA apparently is unaware of the need of low income children for child nutrition programs despite their own research findings which clearly state that low income children receive from one third to one half of their daily nutrient intake from the National School Lunch Program. What Congress knew in 1966 is true today . . . a hungry child cannot learn. This General Nutrition Assistance Grant, which cuts these programs by $210 million (28 percent) will cause an increase in hungry children. What happens to such a child? Dr. Merrill S. Reed, Chief of Clinical Nutrition and Early Development, National Institutes of Health has stated:

"The hungry child is apathetic, disinterested, and irritable when confronted with difficult tasks. He tends to live in a world of his own, relatively independent of the world around him . . . being hungry in a world where others are not decreases one's sense of self worth, further stigmatizing the child in his own eyes and those of his teachers. Thus he fails to learn for social and psychological reasons, not for biological or neurological ones. The net effect is the same, however: another child has failed to achieve his full potential.

Further evidence of the adverse effects of hunger on children is demonstrated by the findings of Dr. Ernesto Pollitt, of the Human Nutrition Center, School of Public Health, University of Texas. Dr. Pollitt in a 1978 article in the American Journal of Public Health reviewed the literature on the short term effects of school age children not having a morning meal. He found that: (1) Not having a morning meal

decreased the physical and mental performance on school type tasks; and (2) ability to learn is compromised.

In stark contrast to these warnings we have the U.S. Department of Agriculture testifying that it wants to cut three programs by 28 percent. As a justification for cuts the Department states that a recent unnamed national study has found the School Breakfast program "wanting" and the Summer Food Program attracts wealthy suburban children to the ghetto for lunch, prompting Rep. George Miller to suggest that perhaps Summer Food should replace school busing as a method of bringing children of all races and incomes closer together.

These statements are classic USDA stew, which consists of a "spot of vague and deceptive policy interpretations to which one adds a dash of fraud, waste and abuse and presto you have what passes for national child nutrition policy." The statements made before this committee on Tuesday that a recent national study found the School Breakfast Program wanting are an appropriate example of USDA's "calculated carelessness" associated with this "USDA stew". It is our understanding that this study includes a finding that the School Breakfast Program increases the likelihood that children will eat breakfast. There are obvious nutritional benefits which are received by children who eat a breakfast as compared to those students who skip breakfast. This study suggests that 600,000 children that currently skip breakfast would eat breakfast if it were available in their schools which it is not. The Department should have pointed out that the study found that students who eat a school breakfast get more milk than those who do not eat a school breakfast. It is our understanding that the study did suggest that the breakfast program was not as good in nutrients other than milk. The study allegedly contains a recommendation that USDA improve the meal pattern for the breakfast program to make up for those nutrients.

In summary, USDA receives the results of a $4 million survey which has taken 2 or 3 years to complete and there is a specific finding that the program is superior in providing milk related nutrients but is short in other nutrients. Instead of recommending that the meal patterns be improved by increasing the frequency of the protein serving, which would require expending additional federal or state funds, USDA recommends that this program which serves 97 percent needy children be eliminated and replaced by a bloc grant minus 28 percent of the funds necessary to run the program. USDA's suggestion that this study found School Breakfast wanting is a tragic and deliberate misrepresentation of known facts. It also stands in stark contradiction to its own research presented at the USDA Outlook Conference in December of 1982 in a paper entitled "Nutritional Effect of School Lunch and School Breakfast." Professor Barry M. Popkin reported that:

"Participation in the School Breakfast and School Lunch Programs is associated with improvements in nutrient intakes frequently found to be under consumed by children of school age. Participation is particularly important for low income children of all ages, for whom the nutritional benefits are even greater than for children in higher income households. This study, which was prepared under contract with USDA, is the latest and most complete analysis of the benefits of the School Breakfast program available to the public, stands in direct contradiction to USDA testimony that School Breakfast is "wanting."

The Popkin study also is recognized for its findings on school lunch which has the same nutritional requirements as the Summer Food Program. The Summer Food Program makes it possible for low income children to receive a nutritious lunch year round. This study, like many before it, indicates that participants in the National School Lunch Program have a better nutritional intake than children who eat lunch but do not participate in the National School Lunch Program. Participants in NSLP have greater energy and other nutrients (vitamins A, B^6, calcium and magnesium—nutrients historically under consumed by low income children.) Participants total 24 hour intake is better suggesting that the Lunch program is helping children's overall diet. This finding is not unexpected since USDA's own studies have found that low income children receive from one third to one half of their daily nutrient intake from the National School Lunch Program.

Mr. Chairman we applaud this Committee's rejection of the General Nutrition Assistance Grant. We would also like this Committee to consider reversing the harsh impact of the fiscal year 1982 budget cuts which resulted in 500,000 children being denied benefits in the Summer Food Program, 500,000 children being dropped from the School breakfast program, and 3 million children being dropped from the National School Lunch Program. Specifically, we would recommend that:

(1) Free and reduced price eligibility and all reimbursement levels in all child nutrition programs which existed prior to fiscal year 1982 be restored.

(2) That states that have a state law requiring a breakfast program in any school food authority be automatically eligible for the higher severe need rate of reimbursement.

(3) Private non-profit sponsors like churches and boys clubs that serve less than 2,000 children at 20 sites or less be allowed to sponsor a summer food program.

We also support expansion of the Special Supplemental Food Program and the recommendations of the Children's Defense Fund as contained in their Children's Survival Bill.

Mr. PERKINS. Thank you for an excellent statement.

Mrs. Blank, go right ahead. Identify yourself.

STATEMENT OF HELEN BLANK, DIRECTOR, CHILD CARE AND FAMILY SUPPORT, CHILDREN'S DEFENSE FUND

Mrs. BLANK. Mr. Chairman, I am Helen Blank, director of Child Care and Family Support at the Children's Defense Fund.

We appreciate the opportunity to testify today you who have been so supportive of child care. This morning I would like to share with you the effects of reductions in the child care food program in the context of a severely weakened Federal child care system.

Adequate child care is already a pressing need for many American families. We estimate that as many as 6 to 7 million children now may go without care for significant parts of the day; 42 percent of mothers with children under 3 are in the labor force. We know that mothers work because they have to. Two-thirds of women who work either have combined incomes with their husbands of $15,000 or less or are sole providers.

Almost 1 in 6 American families are headed by a woman and one-third of one-parent working families, most often headed by women, live below poverty.

We know that child care is important to help these women become self-sufficient. As a mother in Massachusetts talks, she says, "I need day care so I can work and attend school. Even though the incentive is not there to work, I feel trapped in the welfare system. Day care has given me the freedom to get an education."

We found it very interesting that Secretary Margaret Heckler disagreed with Mrs. Jarratt when she testified before the Finance Committee when she said that availability of day care is an essential element if welfare mothers or mothers with young children are to work.

We have found that lack of day care is a major factor in keeping mothers and children in poverty. The U.S. Commission on Civil Rights notes the "inability to locate affordable child care restricts women's employment and ability to participate in training programs in Federal education programs."

We are concerned because we have always had a child care patchwork system and the patches are unraveling. In addition to the severe cuts in the child care food program, the title XX program, the largest direct support of child care was cut by 21 percent in 1981. CETA, which provided funds for child care workers was eliminated, the public service employment component, and Head Start alone lost 6,000 workers.

Federal, State and local budget cuts have placed severe strains on child care centers and family day care homes trying to serve low-income children. And what we have seen across the country

troubles us and we think it is very important to look at it in terms of the cuts in the child care food program.

We see centers serving fewer low-income children. In Wilmington, Del., a Salvation Army Center that went in business to serve low-income children used to serve two-thirds low-income children who were subsidized. They now only serve one-third.

In Grand Rapids a day care center served 55 children 2 years ago, all of whom received a subsidy. Now the center serves 31 children, none of whom receive a subsidy. We don't know where those low-income children are. Many States as a result of funding cutbacks have severely diminished child care support for mothers enrolled in training programs or stiffened eligibility criteria so that subsidized child care is no longer available to low-income families.

In New York State 2 years ago 60 districts provided child care to low-income families who were poor but not on welfare. Today only 45 districts provide that care.

Kansas no longer provides child care to mothers in training. Delaware no longer provides child care to school-age parents. It only provides support for 1 year for mothers who are enrolled in training programs. To cut costs 2 years ago, it enrolled the minimum fee of $10 for anyone regardless of income per week enrolled in a child care program. As a result of those cuts, half of the children receiving child care, the poor children left their child care programs; 1,000 children were forced out of child care programs in Delaware.

The results of the cutbacks on child care for women struggling to improve their family's situation are very painful.

In Wilmington, Del., there was a program for high school girls that had 51 children enrolled 2 years ago. There are now only 21 children. The minimum fee forced those mothers out and has forced them out of school, we fear. We are very concerned that the child care cutbacks have forced children to be left alone or in nonsupportive situations. One of the things that we think is very important to a child is continuity of care. You have 2- 3-, and 4-year-olds who depend on their child care director, the provider, for support. It's a familiar person. They are surrounded by familiar friends. The cutbacks have forced hundreds of thousands of children to be shifted. These are children who do not come from well-off homes, who don't have a lot to begin with.

In 1981, 739 West Virginia families lost child care. When they did a questionnaire to find out what happened to the children, they found that 391 children, almost 400 children, had been moved from their familiar child care providers and we also found that at least 79 children were caring for themselves.

A Wichita mother left her two children, 3 and 4, in the plant's parking lot while she worked. She was desperate. A Rhode Island center had 22 children enrolled. It was near a public housing project. Today, 1 year later, there are only five children enrolled. Mike can talk to you about what happened in Pittsburgh when 10 percent of the total number of children receiving subsidized care lost their program.

The cutbacks in child care food have obviously played a significant in the erosion of child care services. The effects of changes in CCFP have been documented by many of the interviews conducted

by Child Watch teams. Last January CDF in collaboration with the Association of Junior Leagues launched Child Watch to monitor the impact of Federal budget cuts on our neediest children and families. Nearly 1,000 volunteers in over 100 communities have conducted interviews and they have talked with child care providers, Head Start directors, doctors, nurses, parents and others.

In Massachusetts, the Massachusetts Advocacy Center in conjunction with the Councils for Children and the Association of Junior Leagues spearheaded a statewide project. The State documented the effects of CCFP cuts across the State. All programs report that they have had to curtail the amount and variety of food service. They spend more time on menu planning and they have to travel among supermarkets having sales to stay within their budget.

Let me just say a few of the effects of the cutbacks. In Worcester, Mass., a center which served 130 children, mostly from single parent and low-income families should have dropped 10 children but has held onto them so far. They have lost not only $800 to $900 a month in child care food support but $19,000 in transportation funds. The director for a while had to pick up a child every day but he can't do this indefinitely.

Another program in North Adams which serves a lot of single and teenage parent families lost $10,000 in transportation funds. They had to drop one snack a day.

Another day care center in Worcester was only able to absorb a 30-percent reduction in CCFP because of a large endowment fund. The director admits, "That put us in a stronger position than many other centers."

Another center suffered a 25 to 33 percent cut in CCFP. This center had 42 children enrolled in work-related day care slots in 1981. A year later only 20 were left.

Other Child Watch reports report similiar findings. In Minnesota one program lost 50 percent of their CCFP funds and the director worries that she will not be able to replace worn-out equipment. In Minneapolis another program reports a 60 percent cut in CCFP and a 30 percent cut in title XX. The director admits, "The quality and expertise of the cooks and staff in the kitchen have been reduced. We can't afford the supplies and equipment we need. We can't pay competitive wages and we are losing talented people."

In St. Paul a 50-percent cut in CCFP and a significant title XX loss means an $8,000 deficit for another center.

Other programs that work with us share similar stories a program which serves 183 families, predominantly low income, had their program's title XX and CCFP funds cut by 20 percent. They have lost 9 out of their 10 CETA workers. Unlike other centers in the area, the director is determined to keep serving low-income children, but doesn't know how long she can survive.

In Washington, D.C. a center lost 50 percent of its CCFP and it was forced to drop the poor children it was serving on a sliding fee. In Savannah, Ga. when they lost the snacks the babies enrolled in one program lost their bottles.

Last spring the California Rural Legal Assistance Foundation Food Law Center did an exhaustive survey on the effects of the CCFP cuts. They had 43 percent of the sponsors report that the

children were going hungry; 36 percent of the programs had budget deficits; Twenty percent were forced to close their doors and drop out of the food program.

Preliminary results from a followup survey exhibit the same kinds of results. They say the parents are angry and upset that meals are skimpy and lack variety. Low-income families are making sacrifices to supplement the meals served or they and they children simply are not getting enough to eat.

One very disturbing comment from this report is that the program now is so inadequate that it can't fulfill its nutrition education mandate. When the Maryland Committee for Children surveyed centers around CCFP cuts, they found similar results. At the same time that centers had to change their food programs, they found parents relying on them more and more for nutritious meals because home food budgets are smaller.

We are particularly concerned about efforts to cut the child care food program when so many poor families are hardly making do now and the importance of that program in feeding their children is critical.

Head Start programs are not unaffected by the cuts. Observations of Head Start directors about the importance of the program are echoed by providers across the country. Children come to class hungrier than in recent years. The typical pattern according to a Head Start director in Georgia is that the child comes to class on Monday having very little to eat over the weekend. He eats two or three times what one might expect of a 3- to 4-year-old on Monday morning. The child continues to overeat until around Wednesday. On Thursday and Friday his appetite becomes normal. On Monday this pattern begins anew.

The administration's proposal to move Head Start funds directly—food funds directly into Head Start's budget would threaten nutritional services for these children and the entire program. We believe that Head Start would lose $8 to $9 million alone in fiscal year 1984 if this happened.

We are particularly dismayed by the administration's callous indifference to the importance of family day care as evidenced by its total elimination of funds for children in these settings.

I have not devoted anymore of this testimony to arguments against the general nutrition assistance grant. Given the importance of the child care food program to the nutritional well-being and health of almost 1 million preschoolers and the need for child care programs to allow mothers to work, knowing that their children are in safe and secure settings, we don't believe that the proposal is worthy of debate.

We believe it is time to move on and look to remedying the harm done to children by the cuts made in 1981. We urge you to look at the children's survival bill introduced by Representatives Ferraro and Miller.

Mr. GOODLING. Excuse me just a minute.

We have a vote and I am going to have to run over and vote while he remains here so that he can get over and vote and I can come back and that way we won't stop the hearing.

Mrs. BLANK. OK. Thank you.

The restorations in that bill related to CCFP, we believe help to establish a minimum floor of decency for children and are reasonable.

We believe that the hastily imposed cuts in 1981 must be repaired immediately. I would like to share the feelings of Evelyn Davis, a grandmother of 13 and a great grandmother of 6 who has worked for 25 years in inner city Des Moines to deliver child care services and support services to low-income families and children and to provide employment opportunities for those mothers to help lift them out of poverty.

She said to me as she watches these families struggle and the children leave her program because of diminished title XX and child care food support, "We cannot wait any longer. Holding the line isn't enough because time doesn't stand still." She sees us losing a whole generation of children.

Thank you.

Mr. PACKARD. Thank you, Mrs. Blank, for your testimony. We appreciate your contribution. Of course, the entire testimony will be entered into the record.

[The prepared statement of Helen Blank follows:]

PREPARED STATEMENT OF HELEN BLANK, DIRECTOR, CHILD CARE AND FAMILY SUPPORT, CHILDREN'S DEFENSE FUND, WASHINGTON, D.C.

Mr Chairman, members of the Subcommittee, I am Helen Blank, Director, Child Care and Family Support at CDF. I appreciate the opportunity to testify today concerning the Administration's proposal to fold the Child Care Food Program into a General Nutrition Assistance Grant. The Children's Defense Fund is a national public charity created to provide a long-range and systematic voice on behalf of the nation's children. CDF is organized into four program areas: education, child health, child welfare, and child care and family support services. We address these issues through research, public education, monitoring of federal and state administrative and legislative policies and practices, network building, technical assistance to national, state, and local groups, litigation, community organizing, and formation of specific issue coalitions.

This morning I would like to share with you the effects of reductions in the Child Care Food Program in the contert of an already severely weakened federal child care system. Adequate child care is a pressing need for many American families. The supply of child care lags so far behind the need that as many as 6 to 7 million children 13 years old and under, including many preschoolers, may go without care for significant parts of each day while parents work. As more and more parents of young children work, child care needs will become even more of a problem.

Forty-two percent of mothers with children under three are in the labor force.

Fifty-four percent of mothers with children ages three to five are in the labor force.

By 1990 at least half of all preschool children, 11.5 million, will have mothers in the labor force, as will about 17.2 million, or 60 percent, of all school-age children.

The need for infant care is steadily climbing. At the other end of the spectrum, the lack of after-school programs leaves millions of school-age children as young as six waiting up to four hours a day in empty homes or in school yards until parents return from work.

Mothers work because of economic necessity. Two thirds of the women in the work force are either sole providers or have husbands who earn less then $15,000. Almost one in six American families is headed by a woman. Over one-third of one-parent working families, most often headed by women live below the proverty level. A mother in Massachusetts talks about the importance of child care to her ability to work:

"Things are very difficult for me financially right now, but I'm glad I have not lost my day care totally, as I thought I might at one point last year. I need day care so I can work and attend school. Even though the incentive is not there to work, I felt trapped in the welfare system. Day care has given me the freedom to get an

education so that I can get employment and some day get totally out of the welfare system."

Secretary Margaret Heckler while testifying before the Senate Finance Committee shared this mother's sentiments. "availability of adequate day care is an essential element if welfare mothers or others with young children are to work."

Lack of affordable child care is a major factor in keeping women and children in proverty. The U.S Commission on Civil Rights notes that the inability to locate affordable child care not only restricts women's employment and training opportunities but also their ability to participate in federally supported education programs. A number of studies have shown that approximately one of every five or six women is unemployed because she is unable to make satisfactory child care arrangements. "Who's Taking Care of Our Kids," a recent survey on child care arrangements in Utah revealed that 46 percent of unemployed mothers who were interviewed said they would work if quality child care were available.

The United States has always had a patchwork child care system. Since 1981, it has been rapidly unraveling. In Fiscal Year 1982 in addition to the 30 percent cuts made in the Child Care Food Program, a key component of this system, the Title XX Social Services Block Grant, the largest source of direct support for child care, had its funding reduced from $3.1 billion to $2.4 billion or 21 percent. A targeted $200 million for child care and a separate training program were also eliminated. The amount of child care costs that families can be compensated for under Aid to Families with Dependent Child (AFDC) program was limited. Finally, many child care programs lost critical staff when the Public Services Employment component of CETA was eliminated. Head Start alone lost 6,000 workers.

Federal, state and local budget cuts have placed great strains on child care centers and family day care homes already receiving fragmented and inadequate support. In order to keep their doors open, some child care centers have been to serve fewer low-income children and families. New policies have eliminated child care for these families or resulted in fees that poor families cannot pay. Centers have switched to a greater number of higher income families who can pay. A state day care administrator comments. "Programs are taking fewer subsidized children and more whose parents can afford to pay privately for their care. Instead of taking ten state-funded children, they are taking two." This pattern can be seen across the country.

In January 1980, two child care centers in Black Hawk County, Iowa, served a total of 42 free-paying children and 58 poor children subsidized under Title XX. In November 1982, the centers served 69 children whose parents paid full costs and only 42 children who received Title XX assistance.

In Wilmington, Delaware, the Salvation Army opened a center to serve the children of working poor families. Recently, it faced the prospect of closing because of dwindling enrollment. About two-thirds of its children used to be subsidized by Title XX; now only about one-third receive subsidies.

A Grand Rapids, Michigan, day care center used to serve 55 children, all of whom received public subsidies. Now the center serves 31 children, none of whom receives a subsidy.

Many states, as a result of funding cutbacks, have severely diminished child care support for mothers enrolled in training programs or stiffened eligibility criteria so that subsidized child care is no longer available or too costly for lower income working families. When CDF surveyed 36 states with regard to their Title XX child care policies, we found that in the last two years seventeen states had restricted child care for mothers enrolled in training programs. Some like Kansas no longer provide any child care to these mothers.

To cut costs, Delaware passed a requirement that no school-age children can receive subsidized child care. Nor can mothers who attend college or post-high school training programs that last more than one year. In addition, all working families must pay at least $10 a week for services that some poor families used to receive free. The new guidelines have forced nearly 1,000 parents to withdraw their children from centers; these are ofter single mothers earning small income or trying to complete their education. Many can no longer qualify for day care or afford the new state fee for service—as much as $30.50 a week for two-parent families earning a gross weekly wage of $180.25. In Sussex County, Delaware, 6 of 13 sites serving low-income mothers have closed. One site in New Castle County has also shut down.

From March 1981 to March 1982, Monroe County, New York, reduced private government-funded child care slots by almost 50 percent—from 2,681 to 1,395. A county department of social services study showed that most parents who lost subsidies for day care did not quit work and go on welfare, but were desperately trying to hold on to their jobs and make do. Very small children were left in the care of older chil-

dren; some young children were taken to a succession of babysitters; and young school-age children came home to empty houses where they stayed alone until their parents returned from work.

The results of federal, state and local cutbacks in child care for women who are struggling to improve their family's situation through employment or training are extremely painful:

A Wilmington, Delaware center serving high school mothers had 56 children enrolled in the program in 1980–81, and only 21 in the late fall of 1982. Many of the young mothers have dropped out of high school.

One Delaware woman was forced to drop out of school, where she was studying accounting and computers, in order to regain eligibility for child care. Now she's attaching yokes to men's shirts in a sewing factory, earning little more than the minimum wage. She stated, "I just had higher hopes for myself and my kids."

The Johnson County, Kansas, Day Care Association sent a questionnaire to the county's day care providers after many children lost Title XX child care subsidies. They found that 17 percent of the parents had quit work, 10 percent of the children had been taken to unlicensed day care arrangements, and 7 percent of the children were not receiving any care while their parents worked.

Children are being left alone or have been switched to less familiar, and often less supportive, child care arrangements.

In the 1981, 739 West Virginia families lost child care. Some 565 of these families responded to a questionnaire regarding their current child care arrangements. A total of 391 children had experienced some type of change in child care arrangements. At least 79 children caring for themselves.

A Wichita mother left her two children ages three and four in the plants's parking lot while she worked.

A Rhode Island child care center, located in a public housing project, had 22 children enrolled last year. Five children remain. The director reports that some children are being cared for by teenaged high school dropouts; others she watches hanging out on the nearby playground.

In Pittsburgh, a combination of Pennsylvania policies—including tighter eligibility criteria and fees for services—resulted in over 200 children losing child care services, 10 percent of the total number being served. Some parents quit work. One parent commented, "I'm forced to leave my child in the care of an unlicensed babysitter whom I don't trust as much as the licensed day care provider." Another mother says, "My children are no longer with me because I couldn't find day care. The children are with their grandparents." Many older children have been forced to stay home from school to care for preschool brothers and sisters.

A report by the Citizens Committee for Children of New York revealed that in New York City, center teachers and directors are seeing newly ineligible and financially strapped parents resorting to substandard, unlicensed, and unsupervised day care. These directors report that no quality alternatives to public day care exist for these families. "Day care available" signs have been seen in store fronts all over the Bushwick section of Brooklyn. Directors report that children are being crowded into unsuitable, unlicensed facilities that are both unsafe and illegal. Such arrangements are increasing.

The cutbacks in the Child Care Food Program have obviously played a significant role in the erosion of child care services. The effects of changes in CCFP have been documented by many of the interviews conducted by Child Watch teams. Last January, the Children's Defense Fund in collaboration with the Association of Junior Leagues launched Child Watch to monitor the impact of federal budget cuts on our neediest children and families. Nearly 1,000 volunteers, representing the Junior League and ten other national organizations have conducted interviews in over 100 communities. They have talked with child care providers, Head Start Directors, hospital administrators, social workers, parents, and others.

The Massachusetts Advocacy Center in conjunction with the Councils for Children and the Association of Junior Leagues spearheaded a statewide project. They documented the effects of not only new Child Care Food Program policies but also revised state Title XX policies which led to further cutbacks for child care programs and parents. Overall, programs across the state report that they have had to curtail the amount and variety of food served. They spend more time and effort on menu planning and travel among supermarkets having sales in order to stay within their budget.

A Worcester center which serves 130 children from predominantly single-parent and low-income families which is entirely dependent on public funds, should have dropped ten children from the program, but has "held them on" so far, according to the director. The program has lost $19,000 in transportation money and between

$800 and $900 per month in Child Care Food support. For a while, the director of the center was personally picking up one child every day whose mother could not get him to the center any other way, but these makeshift arrangements cannot continue indefinitely.

The Sarah Haskin's Community Center in North Adams had to drop one snack a day. The center which serves a large number of single-and teenage parent families also lost $10,000 in transportation funds and two children dropped out of the program because their parents couldn't afford transportation costs. Two teachers plus the center's educational coordinator were laid off.

The University of Massachusetts/Boston Harbor Campus Day Care Center which serves low-income and single parents attending school, lost between $300 and $500 per month in CCFP money.

The Early Childhood Development Center in Pittsfield had its CCFP reimbursement cut from $.57 to $.28 per child per snack and from $1.90 to $.69 per child per meal.

The Edward Street Day Care Center in Worcester reported that a 30 percent reduction in CCFP funds was absorbed, but only because the Center has a large endowment fund which the Director acknowledges "put us in a much stronger position than many centers."

St. Agnes Guild Day Care Center suffered a 25-33 percent cut in CCFP funding. The Center had 42 children enrolled in work related Department of Social Services slots in October, 1981, but only 20 were left in July 1982.

The Children's Center in Woburn, which serves primarily single-parent and low-income families, some with "poor parenting skills" and some children with special needs, no longer provides lunch because of CCFP program cuts and restrictions. Children now bring their own from home.

Other Child Watch projects report similar findings:

In October, 1980, a Rochester, Minnesota center received $2,783 monthly from CCFP. By April, 1982, it was down to $1,067. With the loss of equipment funds, the Director worries that they will not be able to replace worn out equipment.

In Minneapolis, a center reports a 60 percent cut in CCFP and a 30 percent cut in Title XX funds. The director says that "the quality and expertise of the cooks and staff in the kitchen have been reduced. We can't afford the supplies and equipment we need. Because we can't pay competitive wages, talented people are leaving the field."

A St. Paul Center reports a 50 percent cut in CCFP and a significant Title XX loss. The program faces and $8,000 deficit.

The St. Paul Children's Lobby which faced a 30 percent cut in administrative costs comments that "programs such as ours which administer the food programs provide training and nutrition information, and process commodities are finding it hard to maintain the same level of service. With less staff and fewer materials, our training information services are particularly affected."

A Nashville center had its Title XX reimbursement slashed by $28,000 and its CCFP monies cut $500 a month. Another program lost $1,000 a month in Title XX funds and food monies.

Providers that work closely with CDF share similar stories.

A New Hampshire Director serves 183 families, half of whom are low-income and 75 percent of whom are headed by single women whose incomes are mostly below $8,000. Her center's Title XX and CCFP funds were cut by 20 percent. She is looking for volunteers to replace nine of the ten CETA workers that the program lost. A $72,000 grant from Community Development Block Grant funds will be cut in half this July. The Director is determined not to switch her target population although she admits that many agencies are serving higher income children to survive.

A Washington, D.C. center lost 50 percent of its CCFP funds. It was forced to drop the children who were enrolled on a sliding fee basis as a result of these cuts.

A Savannah, Georgia center reports that the loss of a snack for infants represents the loss of one of their necessary bottles of formula.

Last spring, when the California Rural Legal Assistance Foundation's Food Law Center surveyed 63 Child Care Food Program sponsors, representing services for more than 20,150 children, almost 43 percent of the sponsors reported that children were going hungry; 36 percent were experiencing budget deficits in trying to feed children adequately; 22 percent were forced to close their doors or drop out of the food program, or were expecting to drop out in upcoming months. Sponsors, forced to choose between decreasing meals or increasing costs for families, often chose to decrease the meals.

Preliminary results from a follow-up survey included responses from centers and homes serving more than 9,000 children. Fifty-eight percent of the 64 respondents

answered the question concerning the effects of the cuts. Thirty-one percent had either decreased staff or staff hours and placed more burden on existing staff causing morale problems and less time for the children.

Forty-one percent are serving fewer meals. Thirty-four percent are serving less variety or less quality food to children. "We can't use the food program for nutrition education anymore because it is inadequate" is a disturbing and frequent comment from providers.

Thirty-eight percent are deficit spending or weakening their program quality by borrowing funds from other areas such as instructional materials or equipment. The Children and Family Circle in Santa Rosa comments that "We serve fewer meals. Since this is devastating for infants and toddlers, we have to take money away from instructional materials to provide food for the babies."

"Parents are angry and upset that meals are skimpy and lack variety. Low-income families are making sacrifices to supplement the meals served or they and their children simply aren't getting enough to eat."

When the Maryland Committee for Children examined the results of CCFP cuts in 17 centers serving 899 children, they found a similar picture—many centers reporting a decrease in the variety of meals served and number of meals and snacks provided.

One center notes that "we cannot afford fresh fruits and vegetables very often. We had to eliminate our morning snack and serve breakfast later in the morning. The children used to want their breakfast immediately, now they must wait."

At the same time that centers had to change their food programs, they also found parents relying on them more and more for nutritious meals because home food budgets are smaller.

Head Start children are not unaffected by the CCFP reductions. Programs report cutting back on the amounts of food served. Their observations about the importance of CCFP to poor children are echoed by child care providers again and again.

Children come to class hungrier than they have in recent years. The typical pattern, according to the Head Start director in Athens, Georgia, is that a child comes to class on Monday, having had very little to eat over the weekend, and eats two to three times what one might expect of a three- or four-year-old. The child continues to overeat until around Wednesday. On Thursday and Friday his appetite becomes more normal. On Monday the pattern begins anew. Head Start social workers think the children's hunger is attributable to families losing their eligibility for Food Stamps, or having their allotment reduced.

The Administration's proposal to move Head Start's food funds directly into Head Start's budget would not only threaten nutritional services, but also the quality of the other program components. Head Start budgets would be denied any adjustments to reflect changes in the cost of food. For Fiscal Year 1984 alone, the food freeze could result in an $8 to $9 million loss to Head Start.

Providers do not have significant resources to fall back on to cushion the effects of the cuts. Two out of three center-based caregivers earn wages below the poverty level. Family day care providers earn even less—87 percent earn below the minimum wage and 94 percent have earnings below the poverty level.

We are particularly dismayed by the Administration's callous indifference to the importance of family day care as evidenced by its total elimination of funds for children in these settings. It is ironic that when Ms. Jarratt testified on Tuesday she neglected to mention that the Abt study found that the effects of the Child Care Food Program on children in family day care are overwhelmingly positive.

The program's impact on the nutritional quality of the diet provided in family day care homes is strong. First, homes participating in the CCFP serve more meals and snacks. Second, the meals provided have a higher level of calories and nutrients that do meals served by non-participants.

The conclusion of the study states:

The primary goal of the CCFP is to provide nutritious meals to children in day care, in an attempt to improve the quality of their diets. Perhaps the single most important finding of this study is that the CCFP is meeting this objective.

It should be noted that the provision of adequate nutrition is particularly important in family day care, where low-income children often receive 70 to 100 percent of their nutritional intake. They are often in care as much as 10 or 11 hours per day. Many providers mention that their children have more energy, learn better, and have fewer colds and illness since they began participating in the CCFP. USDA's approach of family day care is extremely shortsighted.

I have not devoted any more of this testimony to arguments against the Administration's proposal to create a "General Nutrition Assistance Grant" and reduce finding for the School Breakfast, Child Care Food, and Summer Food Programs by

almost one-third. Given the importance of the Child Care Food Program to the nutritional well being and health of almost one million preschoolers, and the need for child care programs to allow mothers to work knowing that their children are in safe and secure settings, we do not believe that the proposal is worthy of debate. It has been proven and over again that the most critical developmental in a person's life are the years from fetus stage through age five. This was the main reason that the WIC program was initiated. The CCFP is also an important preventative program for young children. It is to move on and look to remedying the harm done to children and families by 1981 cutbacks in CCFP. Representatives Ferraro and Miller have introduced H.R. 1603, a Children's Survival Bill which includes a full range of programs necessary to establish a minimum floor of decency for our nation's children. Most of the provisions represent a modest series of restorations to key programs. We urge you to enact the provisions relating to the Child Care Food Program. We believe that the harm done by the hastily imposed, ill-conceived cuts in 1981 must be repaired immediately. We share the feelings of Evelyn Davis a grandmother of 13 and great grandmother of six who has worked for 25 years from early morning to late at night to provide quality child care and support services to Des Moines' low-income children and families. She has not only fought for decent child care for her children but also for employment opportunities for their parents to help to lift them out of poverty. As she watches these families struggle, Mrs. Davis' comments cannot be ignored by responsible policymakers: "Time doesn't stand still, we're losing a whole generation of children."

Mr. PACKARD. We will now proceed with Mr. Michael Lambert.

STATEMENT OF MICHAEL LAMBERT, PROGRAM DIRECTOR, SOCIAL AND COMMUNITY SERVICES, DIOCESE OF PITTSBURGH

Mr. LAMBERT. Yes, good morning, Congressman Packard.

My name is Michael Lambert. I am the program director of social and community services in a diocese of Pittsburgh. I am pleased to have this opportunity to speak before you this morning on behalf of those children who have lost or will possibly lose benefits from the child care food program.

My prepared testimony addresses itself primarily to the area of the child care food program's impact on family day care and I would like to address a few remarks that are addressed more fully in my testimony in that regard.

You know the administration is proposing to reduce funding to the child care food program by $208 million. A major portion is to come from the total elimination of family day care.

Family day care, as you perhaps are aware, is care that is provided to small groups of children in a private home by a person that we refer to as a caregiver. Children usually range in age from 6 weeks to 12 years old. It is a type of care which provides a home-like environment for children.

We are shocked by the illogical and discriminatory proposal to eliminate family day care totally from participation in the child care food program. Most of the child care provided in this Nation is provided in family day care homes. For thousands of working families, especially in rural areas, it is the only accessible means of child care.

In many communities it is the only child care option for working parents with infants and school age children. For some children with special needs, it is essential that they have a home like environment. Remove reimbursement for food served to children in family day care homes and family day care resources will be drastically cut back.

Are over 5,400 working parents in Pennsylvania ineligible for child care food reimbursement by the virtue of the fact that their children are cared for in family day care homes?

Are 7,000 children in Pennsylvania not entitled to receive wholesome and nutritious meals and snacks because they are cared for in family day care homes?

In Pennsylvania there are over 1,633 licensed caregivers who participate in the child care food program and they provide an average care of up to four children in their homes each day and are paid $2.66 per hour. Are caregivers expected to pay the additional costs of $6.26 per day that they now receive from the child care food program?

That would leave the caregiver's net profit of $1.96 per hour to cover all their costs and to pay them for their labor.

A working mother in my program—this is an average—has a gross weekly income of $180. After deductions for rent, utilities, food, transportation, she is left with less than $43 per week to cover all other living expenses. We are constantly sending late fee notices to parents who are having difficulty paying the child care fee, which is relatively small. I believe this is evidence as to how close to the economic survival level most low-income working parents are.

Are these working parents expected to pick up the total cost of the child care food program? Their children who for 5 days a week are assured of a nutritional intake which matches their growth and developmental needs are entitled to good health now?

There is no justifiable reason, in my opinion, for eliminating the family day care program from the child care food program. From my vantage point, the child care food program literally and figuratively has no fat in it. It is not a wasteful program. This committee has most certainly had a leading role in the creation of a social program for which no apologies to taxpayers are necessary.

USDA and the department of education in Pennsylvania run an extraordinarily tight program. It is a program with exacting guidelines. An attachment which I have to my testimony describes the minimum meal patterns for children in family day care homes, for an example.

The caregiver must document in her weekly menu selections from the four basic food groups in proper combinations and quantity according to the age of the child. Caregivers are trained to regularly rattle off something referred to as "creditable and noncreditable" foods.

Mr. PACKARD. Can I interrupt, Mr. Lambert, and just ask you to hold your testimony now until Mr. Goodling gets back. It's now the time where I have to leave in order to go and get my vote in.

Mr. LAMBERT. I understand.

Mr. PACKARD. He will be back, I think, shortly. He went earlier so that he could come back and relieve me here at the chair. So if you would just hold the remainder of your testimony until he comes back.

[Brief recess.]

Mr. GOODLING. I apologize but unfortunately I'm just one member. I'm scheduled in three subcommittees at the same time this morning. Since they've enlarged the committees on our side,

where there aren't so many members, we're just going full time in many different ways.

I believe we're with Michael Lambert at the present time?

Mr. LAMBERT. Yes, good morning, Congressman Goodling.

Mr. GOODLING. Good morning.

Mr. LAMBERT. My name is Michael Lambert and I'm from Pittsburgh and it's a pleasure to be speaking to you this morning. I am addressing my remarks primarily to the $114 million that is proposed to be eliminated from the child care food break program specifically for family day care and I was saying just prior to your coming in that—or asking I guess—whether or not over 5,400 working parents in Pennsylvania are ineligible for child care food reimbursement by virtue of the fact that their children are cared for in family day care homes.

Likewise are 7,000 children in Pennsylvania not entitled to receive wholesome meals and snacks just because their children are cared for in family day care homes?

I think that one of the particular points that I would like to make, extrapolating from my testimony, is that there seems to be the unfortunate misconception that those people who are receiving services, child care food, are not low income. I think that there some proof is to be found by analyzing who benefits from the child care food program.

In Pennsylvania, according to the Department of Education, over 90 percent of those participating in the child care food program are title XX eligible. That means that 91 percent of the families using child care services require it in order to work.

In a May 1981 survey of almost 2,000 title XX children, the Pittsburgh metropolitan day care providers found that the average gross monthly income for a mother and her child was $671. In my family day care program 53 percent of the families served have a gross monthly income of less than $656 for a two-person household. That is just slightly above minimum wage.

One of the most significant factors is that the people who receive title XX services are single parent households. Eighty-seven percent of those in Pittsburgh are single parents. Mostly are headed by women.

The population that we have seen already affected by the 1981 budget reconciliation cuts is the same population that would be hurt most by the reduction or by the elimination of child care food programs for family day care homes.

This is the title XX eligible low-income working mother, most of whom are single parents, most of whom are women.

I would like to also address just a couple more remarks to who already has been hurt by these reductions, especially in family day care.

We see that in fiscal year 1982 the child nutrition programs were cut by $1½ billion. In July 1981, the reimbursement for a lunch, for example, was $1.04. The current reimbursement rate is 98½ cents. That's 5½ cents less than it was over 2 years ago. Food costs today certainly are not less than they were in July 1981. The reimbursement rate, however, is 20 percent less today than where it would have been prior to the Budget Reconciliation Act. Unless

these funds are restored, the care giver will go on paying the difference.

Family day care providers have absorbed the bulk of these reductions.

I can assure you that in my program and in every program with which I'm familiar, the children who require three meals and/or two snacks are receiving them, even though they are not not being reimbursed for them. Who is paying for this extra meal and/or snack? The care giver takes it out of her own pocket, because they are dedicated women who will not allow children to go without food that they need.

In Pennsylvania a care giver, a family day care giver, makes an average of $30 per week per child. The majority of care givers work at least 45 hours a week, which figures out to $2.66 per hour for the four children that she may be caring for. In most instances a care giver is not paid if a child doesn't attend. Clearly, the care givers cannot absorb the loss of funds if family day care is eliminated from the child care food program.

Most care givers will stop doing family day care. Some nonprofit agency-affiliated homes, rather, some nonprofit agencies, who have care givers affiliated with them, the care givers will become independent, serving only those parents who can absorb the full cost of care. The low-income, partially subisidized family day care parents will go without care or be forced to more expensive forms of child care.

It is possible that everyone will lose, including the taxpayer.

In conclusion, I believe it is important for you to know that the publicly funded child care system, including the child care food program, has already been severely cut back. Further reductions as are proposed will serve to dismantle a highly effective child care system. I hope you will act favorably upon the childrens' survival bill, which seeks to restore title XX and child care food funds. I appeal to you to recommend to the Budget Committee that funds not be reduced to the child care food program, but rather the benefits lost in fiscal year 1982 be restored. Thank you.

[The prepared statement of Michael P. Lambert follows:]

PREPARED STATEMENT OF MICHAEL P. LAMBERT, ASCW, SOCIAL AND COMMUNITY SERVICES OF THE DIOCESE OF PITTSBURGH, PITTSBURGH, PA.

INTRODUCTION

My name is Michael Lambert. As a program director at Social and Community Services of the Diocese of Pittsburgh, I am responsible for the Family Day Care Program. I am pleased to have this opportunity to appear before you on behalf of those families whose children benefit from Child Care Food Program. To them, and to those of us who provide child care services, the President's budget proposal to cut child nutrition programs, is a matter of great consequence.

The Administration is proposing to reduce funding for the Child Care Food Program by two hundred and eight million dollars ($208,000,000). A major portion ($114,000,000) is to come from the total elimination of funding for family day care.

"Family Day Care" is child care provided to small groups of children (usually a maximum of six children) in a private home by a licensed or registered caregiver (or provider). The age range is usually from six weeks to twelve years. The caregiver provides a full day of age appropriate activities in a home-like environment. Frequently the caregiver is located in the child's neighborhood. Many caregivers across the country are affiliated with non-profit social service agencies, or belong to child care associations. Others operate independently.

We are shocked by the illogical and discriminatory proposal to eliminate family day care from participation in the Child Care Food Program.

Most of the child care in this nation is provided in family day care homes. For thousands of working families, many in rural areas, it is the only accessible means of child care. In Pennsylvania, most of the child care provided to migrant worker families is in family day care. It is often the only option available to low income working families.

In many communities, it is the only child care option for working parents of infants and school-age children. For some children with special needs, it is essential for them to have the home-like environment of the family day care home. Remove reimbursement for food served to children in family day care homes and family day care resources will be drastically reduced.

Are over five thousand four hundred (5,400) working parents in Pennsylvania ineligible for child care food reimbursement by virtue of the fact that their children are in family day care homes? Are seven thousand (7,000) children in Pennsylvania not entitled to receive wholesome and nutritious meals and snacks because they are cared for in a family day care home?

In Pennsylvania, there are one thousand six hundred and thirty three (1,633) licensed caregivers who participate in the Child Care Food Program. They provide daily care for an average of four children in their homes and are paid $2.66 per hour. Are caregivers expected to pay the additional food cost of $6.26 per day that they now receive from the Child Care Food Program? That would leave caregivers a net "profit" of $1.96 per hour to cover all other costs and to pay them for their labor.

A working mother and her child in my program has an average gross weekly income of $180.00. After deductions including $250.00 per month for rent and utilities, $45.00 per week for food, $16.00 per week for transportation, $28.00 per month child care fee, she is left with $43.00 per week to cover all other living expenses including other work related expenses, clothing medical and dental costs, and insurance. We are constantly sending late fee notices to parents in spite of the fact that the fee may appear relatively small. I believe this is evidence as to how close to the economic survival line most low-income working parents are. As one parent remarked, "I have no income . . . only outgo". Are these working parents expected to pick up the total cost of the Child Care Food Program? Their children, who for five days a week are assured of a nutritional intake which matches their growth and developmental needs, are entitled to good health now? We believe that a child's good nutrition and eating habits contribute to his future health. Are these children to be a given a lesser chance because they receive care in a family day care home?

There is no justifiable reason for eliminating family day care from the Child Care Food Program.

THERE IS NO FAT

From my vantage point, there is literally and figuratively no fat in the Child Care Food Program. This is not a wasteful program. This Committee has most certainly had a leading role in the creation of a social program for which no apologies to the taxpayer are necessary.

USDA and the Pennsylvania Department of Education have developed an extraordinary tight program. It is a program with exacting guidelines.

Attachment A, pages 3 and 4 describe the required minimum meal patterns for children in family day care. The caregiver must document in her weekly menu selections from the four basic food groups in proper combination and quantity according to the age of the child. (I have never yet seen a caregiver who does not exceed the minimum requirements in terms of quantity.) Caregivers are trained regularly and can rattle off easily something referred to as "creditable" and "non-creditable" foods. They know, for example, that bread must contain only whole-grain or enriched flour as the primary ingredient by weight; but that cakes, cupcakes and sweet, cakelike "bread" is not allowed. They know that they will not be reimbursed for noncreditable foods. They know they will not be reimbursed for a meal that does not contain the correct combination of food components.

As can be readily seen from the agreement between a family day care home that is made and the sponsoring agency (Attachment A) the requirements are strict. Recordkeeping, training, monitoring, nutrition content, quantity of food served and several other aspects of the program insure that the quality of the food program is maintained at a very high level and the costs are kept low.

Currently, a caregiver is reimbursed about 50¢ for a breakfast she serves each child, 98¢ for lunch or supper, and 28¢ for a snack.

Caregivers are told that if they buy in quantity, watch for bargains, and serve approximately the minimum amounts, that the reimbursement should cover the cost of the food. Ask any caregiver (and many are pros when it comes to doing more with less) and they'll tell you that the reimbusement does not cover their costs, but it certainly helps. I doubt if there is a caregiver anywhere in Pennsylvania who consistently meets her food expenses from child care reimbursement funds. Caregivers realize that the money they receive is a partial reimbursement of what they may actually spend feeding the children.

THE NEED FOR CHILD CARE GROWS

Child care is an essential resource for a community's economic strength. Yet, most child care agencies cannot meet the demand for child care services and, in fact, have long waiting lists. In my program, we receive more than 200 calls per month requesting child care. We are able to service an average of 5 percent of the calls per month.

A 1981 study conducted by Chatham College in Pittsburgh found that there were 7,800 licensed child care spaces available in the area. The demand was estimated at 36,000. Where are the 24,000 children not in licensed child care?

When we are asked over the phone if the parent would like the telephone number of a private child care program that may be able to serve them, only 10 percent requested the number. Most say they cannot afford the private fee of fifty to eighty dollars a week.

Since there are insufficient subsidized spaces and private care is too expensive for most, a working parent will either quit work and stay home to care for her child or find alternative unlicensed child care. A neighborhood teenager, a friend, or a relative may babysit. This Committee has already heard of instances of parents, who having no alternative, leave their young children unattended by an adult for part or all of the day. We have experienced with alarming frequency, parents who reluctantly admit leaving their children especially those who are school age. Seldom are these arrangements satisfactory for the parent or the child. What we see are young parents who need and want to work, but are too often discouraged by the lack of affordable child care resources.

In the Pittsburgh area, with its high unemployment in basic industry, we have seen a sharp increase in the number of women seeking employment and requiring child care. Clearly, we need more child care resources, not less. We need to establish more licensed family day care homes, not create disincentives by eliminating them from the Child Care Food Program.

FAMILY DAY CARE AND THREE IMPORTANT CONSIDERATION FOR WORKING PARENTS

The three factors that seem to be of greatest benefit to working parents are first, that the child care be affordable. Family day care is an average of thirty five percent less expensive than center care for children. It is the least expensive form of licensed child care available. Second, that the child care is accessible. Because family day care serves children from infancy through school age and is usually located in the neighborhood, it is particularly beneficial to parents. Third, child care must be of sufficient quality so that the parents may do their jobs free from worry about the health and safety of their children. In this regard, homes which are licensed or registered and monitored by a state agency and/or affiliated with a social service agency tend to offer the most worry free environment.

In Pennsylvania, the Child Care Food Program plays a significant role in maintaining the quality of family day care. It does this by, first, requiring State registration for participation in the program, second, by requiring that certain standards be met (particularly pertaining to nutrition and food service), and third, by randomly selected home visits conducted by State field representatives and/or occasionally representatives from USDA.

The Federal government will be greatly reducing the most accessible and affordable child care resource for working parents by eliminating family day care from participation in the Child Care Food Program. The quality of family day care will be diminished because the quality control provided by the Child Food Program will be eliminated.

CAREGIVERS HURT MOST BY FISCAL YEAR 1982 CUTS

Child Nutrition programs were cut by one and a half billion dollar in fiscal year 1982.

In July, 1981, the reimbursement for a lunch for example was $1.04. The current reimbursement rate of .985 cents is 5½ cents less than it was over two years ago. Food costs are not less today than they were in July, 1981. The reimbursement rate, however, is at least 20 percent less today than where it would have been prior to the Budget Reconciliation Act of 1981.

Unless these funds are restored, the caregiver will go on paying the difference.

Family day care providers have absorbed the bulk of the reductions. Subsequent to fiscal year 1982, caregivers were allowed to claim not more than two meals and one snack per day per child at a reduced rate regardless of how many meals or snacks the child ate while in the day care home.

I can assure you that in my program and in every program with which I am familiar, children who require three meals and/or two snacks per day are receiving them. Who pays for the extra meal and/or snack? The caregiver takes it out of her own pocket, because caregivers are dedicated women who actively care about children. They will not allow a child to go without food.

In Pennsylvania, a caregiver makes an average of thirty dollars ($30) per week per child. The majority of caregivers (73 percent in my program) work at least forty-five hours per week, which figures out to $2.66 per hour provided she is caring for at least four children. In most instances, a caregiver is not paid for a day when a child is absent. Clearly, caregivers cannot absorb the loss if funds are reduced for family day care.

Most caregivers will stop doing family day care. Some nonprofit agency affiliated caregivers will become independent, serving only those families who can afford the full cost of care. The low income partially subsidized family will go without child care or be forced to more expensive forms of care. It is possible that everyone will lose including the taxpayer.

THE CHILDREN OF THE WORKING POOR ARE THE BENEFICIARIES OF THE CHILD CARE FOOD PROGRAM

One of the stated concerns of President Reagan is that domestic programs should benefit those who need it most and that safeguards be established preventing people of America from falling below certain level.

Who are more vulnerable in our society than the children of working parents who are trying to improve their lives, but too often have a marginal existence?

Proof is to be found by analyzing who benefits from the Child Care Food Program. There is the misconception that those families are not low income.

In Pennsylvania, according to the Department of Education, over ninety percent of those participating in the Child Care Food Program are Title XX eligible. That means that ninety one percent of those families using child care services require it in order to be gainfully employed. Seven percent are in a work related training program, and two percent require the service due to a disability. All must have gross incomes which do not exceed 90% of the State median income.

In a May, 1981, survey of almost 2,000 Title XX children, the Pittsburgh Metropolitan Day Care Providers found that the average gross monthly income for a mother and her child was $671.00 (43 percent of all families). For a three person family, the average gross monthly income was $74.00 (32 percent of all families).

In my family day care program, 53 percent of the families served have a gross monthly income of 656.00 or less for a two person household. That is only slightly above minimum wage.

One of the most significant factors relating to the population that uses Title XX (or publicly subsidized child care) child care is the high number of single parent households. In the Pittsburgh area, eighty-seven percent (87 percent) of the families served are single parent households. Most are headed by women.

This is the population that we have already seen fall straight through the safety net. Subsequent to the changes brought on by the Budget Reconciliation Act of 1981, two hundred of these children lost child care services. According to a follow-up study, forty-five percent (45 percent) of the families served were not able to find alternative child care and were forced to quit working or drop out of school. Of those who found alternative care, 66 percent said they felt their child care arrangement was worse for their children and 78 percent said the situation was worse for themselves (primarily due to financial reasons).

I believe it is important for you to know that the publicly funded Child Care system, including the Child Care Food Program, has already been severely cut back. Further reductions as are proposed, will serve to dismantle a highly effective resource.

I hope you will act favorably upon the "Children's Survival Bill" which seeks to restore Title XX and Child Care Food Program funds. I appeal to recommend to the Bugdet Committee that funds not be reduced to the Child Care Food Program, but rather the benefits list in fiscal year 1982 be restored.

PENNSYLVANIA DEPARTMENT OF EDUCATION
BUREAU OF BUDGET AND MANAGEMENT
DIVISION OF BASIC EDUCATION FISCAL ADMINISTRATION
333 MARKET STREET
HARRISBURG, PA 17105

AGREEMENT NUMBER

AGREEMENT BETWEEN SPONSORING ORGANIZATION AND FAMILY OR GROUP DAY CARE HOME (CHILD CARE FOOD PROGRAM)

INSTRUCTIONS: Two of these forms must be filled out and signed by the family or group day care home provider and returned to the sponsoring organization. A representative of the sponsoring organization must sign all the forms, keep one, and send one back to the provider.

This agreement is entered into this _____ day _____, 19 _____, by and between

_____ at _____
(Sponsoring Organization) (Sponsoring Organization's Address)

and _____ at _____
(Provider's Name) (Provider's Address)

_____. It specifies the rights and responsibilities of the Sponsoring Organization and the Provider as participants in the Pennsylvania Department of Education (PDE) Child Care Food Program (CCFP).

RIGHTS AND RESPONSIBILITIES OF THE SPONSORING ORGANIZATION

In accordance with CCFP regulations, the sponsoring organization agrees to:

1. Train providers before they begin participating in the Child Care Food Program.
2. Offer additional training sessions scheduled at a time and place convenient to their providers.
3. Respond to a provider's request for technical assistance.
4. Provide CCFP recordkeeping forms to the provider.
5. Distribute an advance to the provider within 5 working days after receiving the provider's records if the sponsoring organization has received advances from the Department of Education. If reimbursement is owed to the provider, in addition to this advance payment, the sponsoring organization will pay the provider the remainder of the food service rate for each meal served to enrolled children no later than 15 days after the sponsoring organization has received payment from the department.
6. Not to charge a fee to the provider for Child Care Food Program service.
7. Assure that all meals claimed for reimbursement are served to enrolled children without regard to race, color, handicap or national origin and that all meals claimed meet the meal requirements included in this agreement.
8. The sponsor will check the meal participation records for accuracy and conformance with enrollment figures.
9. The menus received each month will be checked to insure meals meet minimum requirements of the Child Care Food Program.
10. The sponsoring organization will insure that homes are not charging a separate fee for meals.
11. The sponsoring organization has the right to visit family or group day care homes to review their meal service and the meal records during their hours of child care operations. The sponsor will make a minimum of three food service monitoring reviews each year to insure conformance to CCFP regulations. The sponsor must make a preapproval visit for each new home as a CCFP requirement.
12. The sponsoring organization or the provider may terminate this agreement to participate in the Child Care Food Program for cause or convenience.
13. Sponsor may amend the agreement between sponsor and provider to place more stringent requirements.
14. Sponsor will inspect Title XX homes with less than four children for compliance with DPW Standards for registration. Sponsor will inspect and complete PDE form for homes obtaining licensing through alternate licensing procedures.
15. Sponsor will check and approve family size and income applications for providers who will claim their own children.
16. Sponsors will insure that no provider claims for more than two meals and one supplement per child per day. If the provider will have children in or out during the day or separate sessions, the sponsor will give the provider a method of keeping meal participation data by child's name to insure no excess meals are claimed.

RIGHTS AND RESPONSIBILITIES OF THE FAMILY OR GROUP DAY CARE HOME PROVIDER

1. The provider is required to keep daily records of:
   a. what is served to the day care children at each meal each day to include a separate menu for infants.
   b. the number of meals served to children at each meal service.
   c. the number of enrolled children who are present each day.
2. The provider may claim meals served to enrolled children (or foster children) living in the provider's home only if enrolled children who live outside the provider's home are also served the meal. Only one meal per child may be claimed at each meal service.
3. Providers who will claim their own children must complete a free and reduced application and be approved as eligible for one of these categories before claiming the meals.
4. Providers may not claim for more than two meals and one supplement per child per day.
5. Providers may not claim for any meal type for more than the license registered/alternate licensing capacity of the home. This number also includes any of providers own children who are enrolled and participating.
6. Providers may over-enroll at the home. However the provider may not claim meals for more than alternate license/registration capacity. See five above.

RIGHTS AND RESPONSIBILITIES OF THE FAMILY OR GROUP DAY CARE HOME PROVIDER *(CONTINUED)*

7. The provider **must attend** training sessions conducted by the sponsoring organization.
8. The provider must read and use materials sent by the sponsor or PDE regarding the Child Care Food Program.
9. The provider **must allow** representatives from the sponsoring organization, PDE, and the United States Department of Agriculture to come into the provider's home for the purpose of reviewing the Child Care Food Program operations. This will be done several times a year and normally only after phoning ahead of time.
10. The provider agrees to correct deficiencies found as a result of monitoring visits of the Food Service operation. Providers who fail to correct deficiencies to meet the meal requirements, keep proper records for meal participation and enrollment may be terminated from the program for cause.
11. The provider must tell the sponsoring organization without delay: (1) the names of any children added or dropped from the enrollment for day care, and (2) if there are any changes in the homes license, registration, or approval status.
12. The provider must supply 2 copies of a valid day care home registration, license or application for renewal and provide a copy of the renewed registration license when it arrives. If it expires during the year, the provider must send sponsors two copies of renewed registration or license. Providers of Title XX homes with 4 to 6 children must supply two copies of registration certificate. Providers of Title XX homes with less than 4 children must have sponsor inspect home for compliance with DPW standards for registration.
13. Providers of non Title XX Homes must be registered by DPW or must complete alternate licensing form to include current health and fire inspections. These alternate licensing forms may be obtained from PDE. Sponsor and provider will have to obtain inspection from local authorities for fire and health inspections.
14. The provider must send the meal count and menu records to the sponsoring organization by the end of each operating month or more often if required by the sponsor. Failure to do so may result in loss of payment for that month.
15. The provider must post a menu for the parents.
16. The provider must serve meals which meet the Child Care Food Program requirements for the ages of children being served. (Copy attached).
17. The provider or the sponsoring organization may end this agreement to participate in the Child Care Food Program for cause or convenience.
18. The provider must serve meals to all children without regard to race, color, handicap or national origin.
19. The provider may not make a separate charge to parents or guardians for meals served to children.
20. Provider may amend the Sponsor and Provider Agreement. If the provider wants to change the meal type served or the maximum number of children allowed at the same time period, an amendment must be made to the agreement by the sponsoring organization to show the meal type added or children allowed starting at a certain date.

We certify that the information on this form is true and correct to the best of our knowledge, and that we will comply with the rights and responsibilities outlined in this agreement. The provider also certifies that he/she is not participating in the Child Care Food Program under any other sponsoring organization.

DATE	SIGNATURE OF SPONSORING ORGANIZATION REPRESENTATIVE	PROVIDER'S SIGNATURE

TO BE FILLED OUT BY SPONSORING ORGANIZATION

This day care home has been approved to serve the following meals up to a maximum of _____ children per day starting on

_____
(DATE)

Breakfast ☐ a.m. Snack ☐ Lunch ☐ p.m. Snack ☐ Supper ☐

_____
Signature of Sponsoring Organization Representative

MEAL PATTERNS FOR CHILDREN IN CHILD CARE FOOD PROGRAMS

The Child Care Food Program gives Federal aid to child care centers and family and group day care homes. The goal of the program is to improve the diets of children by providing them with nutritious, well-balanced meals. The following meal patterns contain the minimum food components which must be served in order to be reimbursed by Pennsylvania Department of Education (PDE).

Food Components	Children 1 up to 3 years	Children 3 up to 6 years	Children 6 up to 12 years[9]
BREAKFAST*			
Milk, fluid[1]	1/2 cup	3/4 cup	1 cup
Juice or fruit or vegetable	1/4 cup	1/2 cup	1/2 cup
Bread and/or cereal:			
enriched or whole grain[2]	1/2 slice	1/2 slice	1 slice
Bread			
Cereal:	1/4 cup[3]	1/3 cup[4]	3/4 cup[5]
Cold dry	1/4 cup	1/4 cup	1/2 cup
Hot cooked	1/4 cup	1/4 cup	1/2 cup
Cooked pasta or noodle products			
MID MORNING OR MID AFTERNOON SUPPLEMENT (Snack)			
(Select 2 of these 4 components)			
Milk, fluid[1]	1/2 cup	1/2 cup	1 cup
Meat or meat alternate[6,7]	1/2 ounce	1/2 ounce	1 ounce
Juice or fruit or vegetable	1/2 cup	1/2 cup	3/4 cup
Bread and/or cereal:			
enriched or whole grain[2]	1/2 slice	1/2 slice	1 slice
Bread			
Cereal:	1/4 cup[3]	1/3 cup[4]	3/4 cup[5]
Cold dry	1/4 cup	1/4 cup	1/2 cup
Hot cooked	1/4 cup	1/4 cup	1/2 cup
Cooked pasta or noodle products			
LUNCH OR SUPPER**			
Milk, fluid[1]	1/2 cup	3/4 cup	1 cup
Meat or meat alternate[6]			
Meat, poultry, or fish, cooked[7]	1 ounce	1 1/2 ounces	2 ounces
Cheese	1 ounce	1 1/2 ounces	2 ounces
Egg	1	1	1
Cooked dry beans or peas	1/4 cup	3/8 cup	1/2 cup
Peanut butter	2 tablespoons	3 tablespoons	4 tablespoons
Vegetable and/or fruit[8]	1/4 cup	1/2 cup	3/4 cup
Bread, enriched or whole grain[2]	1/2 slice	1/2 slice	1 slice
Cooked pasta or noodle products	1/4 cup	1/4 cup	1/2 cup

1 Includes whole milk, lowfat milk, skim milk, cultured buttermilk, or flavored milk made from these types of fluid milk which meet State and local standards.

2 Or an equivalent serving of an acceptable bread product made of enriched or whole grain meal or flour, or enriched or whole grain rice or pasta. See listing in FNS-64, A Planning Guide for Food Service in Child Care Centers, for serving sizes of acceptable bread/bread alternates.

3 1/4 cup (volume) or 1/3 ounce (weight), whichever is less.

4 1/3 cup (volume) or 1/2 ounce (weight), whichever is less.

5 3/4 cup (volume) or 1 ounce (weight), whichever is less.

6 Or an equivalent quantity of any combination of food listed under Meat or Meat Alternates.

See "A Planning Guide for Food Service in Child Care Centers" pages 6 and 7.

7 Cooked lean meat without bone.

8 Must include at least two kinds.

9 Children age 12 and up may be served adult size portions based on the greater food needs of older boys and girls, but shall be served not less than the minimum quantities specified in this section for children age 6 and up to 12.

10 Substitutions because of medical needs shall be made only when supported by a statement from a recognized physician which includes recommended alternate foods.

* Breakfast: Include as often as practical an egg or a 1 ounce serving (edible portion as served) of meat, poultry or fish, or 1 ounce of cheese, or 2 tablespoons of peanut butter or an equivalent quantity of any combination of these foods. Additional foods may be served as desired.

** Lunches and suppers: Additional foods may be served as desired.

MEAL PATTERN FOR INFANTS

When infants age up to one year participate in the Program, an infant meal shall be offered. Foods within the infant meal pattern shall be of texture and consistency appropriate for the particular age group being served. The total amounts of food authorized in the meal patterns set forth below must be provided to the infant in order to qualify for reimbursement but may be served during a span of time consistent with the infant's eating habits. Solid food should be introduced to children age 4 months and older on a gradual basis with the intent of ensuring their nutritional well being. The infant meal shall contain, as a minimum, each of the following components in the amounts indicated for the appropriate age group:

Food Components	Infants Age 0 to 4 months	Infants Age 4 up to 8 months	Infants 8 months up to 1 year
BREAKFAST			
Milk[1]	N/A[4]	N/A[4]	6-8 fluid ounces or
Infant Formula[2]	4-6 fluid ounces	6-8 fluid ounces	6-8 fluid ounces
Infant cereal[3]	N/A[4]	1-2 tablespoons See opening paragraph	2-4 tablespoons
Full Strength Fruit Juice	N/A[4]	N/A[4]	0-3 fluid ounces
MID-MORNING OR MID-AFTERNOON SUPPLEMENT (Snack)			
Milk[1]	N/A[4]	N/A[4]	2-4 fluid ounces or
Infant Formula[2]	4-6 fluid ounces	2-4 fluid ounces or	2-4 fluid ounces or
Full Strength Fruit Juice	N/A[4]	2-4 fluid ounces and	2-4 fluid ounces and
Crusty Bread or	N/A[4]	0-1/4 slice[5] or	0-1/4 slice[5] or
cracker type products made from whole grain or enriched meal or flour that are suitable for an infant to use as a finger food when appropriate		0-2 crackers[5]	0-2 crackers[5]
LUNCH OR SUPPER			
Milk[1]	N/A[4]	N/A[4]	6-8 fluid ounces or
Infant Formula[2]	4-6 fluid ounces	6-8 fluid ounces	6-8 fluid ounces
Full Strength Fruit Juice	N/A[4]	N/A[4]	0-3 fluid ounces
Infant Cereal[3]	N/A[4]	1-2 tablespoons	3-4 tablespoons or
Fruit or	N/A[4]	1-2 tablespoons or	3-4 tablespoons or
Vegetable of Appropriate Consistency	N/A[4]	1-2 tablespoons Or appropriate combination of fruit or vegetable	3-4 tablespoons Or appropriate combinations of infant cereal, fruit, vegetable
Meat, fish, poultry, or egg yolk or	N/A[4]	0-1 tablespoons[5]	1-4 tablespoons
Cheese or	N/A[4]	0-1/2 ounce (weight)[5]	1/2 to 2 ounces (weight)
Cottage Cheese or	N/A[4]	0-1 ounce (weight or volume)[5]	1 to 4 ounces
Cheese Food or	N/A[4]	0-1 ounce[5] (weight or volume)	1 to 4 ounces (weight or volume)
Cheese Spread of Appropriate Consistency	N/A[4]	0-1 ounce[5] (weight or volume)	1 to 4 ounces (weight or volume)

[1] For infants (8 months up to 1 year of age) "milk" means unflavored whole fluid milk or an equivalent quantity of reconstituted evaporated milk.

[2] "Infant formula" means any iron fortified infant formula, intended for dietary use as a sole source of food for normal, healthy infants, served in liquid state at manufacturer's recommended dilution.

[3] "Infant cereal" means any iron fortified dry cereal specially formulated for and generally recognized as cereal for infants that is routinely diluted with formula or milk prior to consumption.

[4] N/A: These age groups are not required to be served from these food group components.

[5] These items are suggested, not required.

[6] Substitutions because of medical needs shall be made only when supported by a statement from a recognized physician which includes recommended alternate foods.

STATEMENT OF DR. MARIAN HOUK, DIRECTOR, ANNANDALE CHRISTIAN COMMUNITY FOR ACTION, CHILD CARE CENTERS AND COORDINATOR, VIRGINIA COALITION OF CHILD CARE ADVOCATES

Dr. Houk. Good morning, Congressman and members of the committee. I appreciate the opportunity to be here. I'm an educational psychologist. Ten years ago I became the director of a large day care program in the northern Virginia area. Prior to that time I have been on the faculty of the University of Virginia, specializing in the field of developmental psychology.

Like so many other professionals in this field, I became convinced of the importance of early learning and certainly of early nutritional benefits, and therefore left the university, went on the firing line, to assist the most vulnerable children in our communities.

In 1968 a group of churches in northern Virginia banded together to provide child care for a small number of children. Since that time, in the past 15 years, this group of churches has grown. The community group has become stronger and we now operate eight different social welfare programs. Our day care program has grown dramatically. We now care for 170 children in two different locations. We transport the children, we feed them three times a day. We employ a social worker. And we conduct an elaborate educational program which is designed to help these children succeed when they reach the public schools.

The families that we serve, Congressman Goodling, have very few alternatives. Our latest analysis of their income levels indicates that these families earn just over $9,000 per year. Your Department of Labor Statistics will tell you that it's impossible for a family to survive in northern Virginia on less than $12,000 a year. So we are rather continually amazed at the ability of these families to do so well in our area.

The history of our organizations, which we call ACCA, parallels the experience of many other community groups that have sponsored child care programs. In the late 1960's we began with nothing at a period in history when many people had a heightened awareness of the experience and the plight of the poor in our communities.

We educated ourselves concerning the proper care for children and we began to erect, like so many other groups, a fragile wall of finance to undergird our operations. Brick by brick we built this structure of day care finance through the past 15 years. The title XX child care program, the CETA program, and of course the U.S. Department of Agriculture child nutrition program, formed the bricks of the wall of day care finance.

After 15 years of building bit by bit, painstakingly, 2 percent increase here and a $500 donation there, we emerged into the 1980's with a structure that barely enabled us to keep our doors open, and I really want you to hear this testimony from the point of view of a person who has tried to operate a day care program for 10 years.

So in 1980 we had reached the pinnacle of being able to pay our teachers $10,000 a year, our aides $8,000 a year, for a 50-week year, 8 hours a day. Suddenly, this painstakingly built structure of fi-

nance was attacked and great giant chunks have been taken out of it. We lost the CETA program which supplied workers to us. The title XX program has been all but terminated in Virginia. And the unkindest cut of all has been the cut coming from the child nutrition program.

We gathered some statistics among the subsidized child care centers in Fairfax County for you and we have found that the average reduction in reimbursement levels has been 50 percent. So we have lost 50 percent of our food program reimbursement funds.

There are just a few points I want to make to you in closing. The centers that operate the child care programs, like the parents we serve, have few alternatives. No. 1, we must serve food to the children. The children cannot bring food to the day care center. You can imagine a 2- or 3-year-old child bringing in his little hot hand enough food on a day care bus to help him get through an 11-hour day. First of all, the parents don't have the motivation in many cases or the money to pack the food and, second, by the time it arrives at the day care center it would not be in an edible condition.

We must feed the children. Young children must have an adequate diet. I'm not even going to develop that point. We would agree to that. And as Mr. Cooney said this morning, we are well aware of the fact that we provide more than half, I would say two-thirds, of the young child's nutrition while he's in the day care center. He doesn't get it at home.

Finally, we must have adequate—an adequate reimbursement program to serve the children food. It is a given fact that the parents of day care children in our centers cannot afford increased fees. It is a given fact that we can't cut expenses below our present levels. Our staff members can't live on their salaries now.

And it is also a given fact that most community centers like our own are having increased difficulties in raising funds from private sources. And you should know that. This is the hope of the New Federalism and yet people have less money to give and they are being asked to give to a multiplicity of causes.

Indeed, alternatives available to child care centers to compensate for cutbacks in this food program are extremely limited. As Mrs. Blank mentioned to you this morning, an unfortunate alternative in seeking money to maintain our operation is to give up serving low-income families. This is being referred to in the press as the gentryfication of day care programs. The gentry can pay increased fees. Low-income working parents cannot.

Speaking, then, for the Annandale Christian Community for Action, the Virginia Coalition of Child Care Advocates, all of the subsidized centers in Fairfax County, and the Virginia Day Care Council, I urge you to halt further cuts. They simply cannot be endured.

Furthermore, I urge you, as Mr. Cooney has done, to restore our funding back to the period in the early 1980's before any of these cuts began. I'm afraid that if this is not done the fragile wall of day care finance which we have so painstakingly erected will collapse; we will lose the progress we have made since the late 1960's, the working parents that we serve will have few alternatives other than going on welfare, and most of all, the children whom we are

helping will have their sound and healthy development jeopardized.

Mr. GOODLING. I thank you very much for your time. We will include your statement in its entirety in the record.

[The prepared statement of Marian Houk follows:]

PREPARED STATEMENT OF MARIAN M. HOUK, ANNANDALE CHRISTIAN COMMUNITY FOR ACTION

I am an Educational Psychologist. For the past ten years, I have been the Director of a large day care program in Northern Virginia. Prior to this period of community work, I served on the faculty of the University of Virginia in the Graduate School of Education, specializing in the field of Developmental Psychology. Like many other professionals in this field, I became convinced of the critical nature of early learning experiences, and of sound nutrition in the early years, and decided to leave the University and place myself on the firing line to work with the most vulnerable children in our area.

In 1968 a group of churches in the Annandale-Baileys Crossroads area had banded together to provide day care services for a small number of children whose parents couldn't possible afford the cost of child care on their meager salaries. This group, The Annandale Christian Community for Action, has grown in the past fifteen years to include 24 churches that supply monetary donations, donations of furniture and food, and many thousands of hours of voluntary services to needy families in Fairfax County. We conduct eight different social welfare programs, including a Family Emergency Program that provides $4,000 per month for rents, utility payments and medical bills, and groceries for over 3,000 meals each month. We have a large furniture operation, an emergency transportation network, a prison visitation service, a housing program, and we supply volunteers to a hotline and to the Meals-on-Wheels program. Unlike many community groups, we have gotten larger and stronger through the years. We are deeply committed to our efforts to reach out to our less fortunate neighbors.

Our day care program has grown dramatically to an enrollment of 170 children in two different locations. We transport the children, feed them three times a day, employ a Social Worker, and conduct an elaborate educational program which is designed to enable the youngsters to succeed when they enter the public schools. Our mission has remained the same throughtour our fifteen year history: We endeavor to provide the finest care that is possible for the children of the working poor. We want to help those families who are struggling to support themselves, and who, because of their income levels can not possibly afford adequate child care. The alternatives for our families are extremely limited. For the majority, the only alternative—without the assistance we provide—would be to give up working and go on welfare. At the present time, the average annual income among our families is just over $9,000. Department of Labor statistics will tell you that it is impossible for a family to exist in Northern Virginia on less than $12,000 per year! We are truly amazed at how well these families do with their limited resources.

The history of our organization (which we call ACCA) parallels that of many other groups that have sponsored child care programs. We started with nothing in the late 1960's when many other groups were also experiencing a heightened awareness of the plight of the poor in our society. We struggled to educate ourselves concerning the proper education and care of the young child. We struggled to erect a financial structure which would support the center operation. That financial structure was built over a period of fifteen years, brick by brick. We achieved the establishment of a subsidy program in Fairfax County which enables parents to pay a share of the cost of care on a sliding scale based on their incomes. We continued to raise funds from the community, and, in our case, we were able to raise $80,000 from private sources last year. We received assistance from the CETA Program, and from the Title XX Child Care Program. Of course, one of the major supports in our financial structure has been the USDA Child Nutrition Program. Brick by brick we built our financial structure—with a 2 percent increase here, and a $500 donation there—until we reached a point in the early 1980's where we had erected a structure that barely enabled us to keep our doors open! We were making it, but only by keeping salaries at a shockingly low level. We continue to pay our teachers $10,000 and our aides $8,000 for a fifty week year of long, eight hour days.

Then, as you know, our fragile structure of day care finance, so painstakingly established, was attached in 1981. Suddenly, great chunks were taken from the structure. Title XX was all but terminated in Virginia, and the CETA Program no longer

supplied workers for our centers. Then came the unkindest cut of all, the cut in the USDA Child Nutrition Program. For your information, we gathered figures from the 19 subsidized child care centers in Fairfax County, and found that since 1981 we have experienced a 50% reduction in the level of reimbursement for our food programs.

We are now faced with a situation which threatens the survival of our day care programs. That fragile structure is weakened to the points where it is in danger of collapsing.

The centers, like the families they serve, have very limited alternatives.

1. Centers must supply food for the children. There is no way that two and three year old children can carry food with them on a day care bus. Even if parents could afford the food, and had the knowledge and motivation to prepare and pack enough food to last the child for ten or eleven hours each day, it would never arrive at the center in eatable condition.

2. Young children must have an adequate diet. I am not even going to develop this point! We are all convinced of the critical importance of early nutrition. Through years of experience, we know that we supply the major amount of the day care child's total nutrition under our present programs. This must continue.

3. We must have an adequate food reimbursement program. It is a given fact that the parents of the day care children in our centers can not pay increased fees. It is a given fact that we can not cut our expenses below present levels in the light of our salary situation. Our staff members can not support themselves on their salaries, and it is a feat worthy of a magician to operate a high quality child care program with woefully underpaid teachers! Furthermore, most all of the community sponsored centers are finding that it is increasingly difficult to raise additional funds from private sources. People have less money to give, and they are being pressured to give to a multiplicity of causes.

Indeed alternatives available to child care centers to compensate for USDA Child Nutrition cuts are extremely limited. Several centers in Northern Virginia are barely keeping their doors open, and it is not uncommon for centers to have to delay the release of pay checks until sufficient funds are available. An unfortunate alternative is to give up the attempt to serve low imcome families. This is being described as the "gentrification" of day care programs! The gentry can pay for services, the working poor can not!

Speaking for the Annandale Christian Community for Action, for the Virginia Coalition of Child Care Advocates (which I coordinate), for the Subsidized Child Care Centers in Fairfax County, and for the Virginia Day Care Council, I urge you not only to halt additional cuts in the Child Nutrition Program, but to restore funds that we have already lost. We must go back—as a minimum—to the level of reimbursement we had reached prior to the very first cuts. We must restore tiering procedures, provisions for snacks, and equipment reimbursements, and we must restore former eligibility standards. A Block Grant would be a disaster!

If our financial structure does indeed collapse, we will lost many years of hard, yet highly significant work. We will jeopardize the fine progress that many of our working families have achieved, and, worst of all, we will jeopardize the healthy development of the most vulnerable children—and the most deserving children—in our communities.

Mr. GOODLING. Our next panelist, Geraldine Nichols.

Ms. NICHOLAS. Actually it's Nicholas.

Mr. GOODLING. Oh, here we only have Nichols.

Ms. NICHOLAS. I know. I noticed it.

STATEMENT OF GERALDINE NICHOLAS, NAT AZAROW DAY CARE CENTER, NEW YORK

Ms. NICHOLAS. I am Geraldine Nicholas, director of the Nat Azarow Day Care Center located in the Brownsville section of Brooklyn, N.Y.

When one mentions this area of New York City, negative images come to mind. Burned-out, abandoned buildings, crumbling tenements, garbage-strewn vacant lots, desolate streets, drug addicts, alcoholics, truant youngsters, unemployed adults, pregnant teen-

agers. These are the images that stand out. These are also the realities for the people who live there.

Yet despite these conditions, since Nat Azarow Day Care Center opened in 1969, people come from these same streets who are seeking independence and control of their lives. They may have some of the same problems, but hopes for a better life for them and their families give them the incentive to seek a way to change.

It is with this goal in mind that many parents first approached the day care center. We at the day care center witness repeatedly how Government funds used for its operation become the best possible investment for governments yield incalculable return.

To illustrate this point, I would like to tell you about some of the parents at Nat Azarow. From this depressed area of Brooklyn at a time when nationwide unemployment is at its highest and when the morale of the poor people is at its lowest, of 95 families with 105 children, 36 parents are working, 19 parents are in vocational training programs, 13 parents have chronic ailments, 12 parents have drug or alcohol-related problems, six primary caretakers are grandparents, two of whom work or are ill, nine parents are looking for work, two parents are under psychiatric care and one foster parent has an emotionally disturbed child.

Despite their varied reasons for seeking services, these parents share a common bond in wanting education and proper care of their children in an appropriate setting while they are constructively engaged.

The foregoing facts don't even begin to tell the whole story. At least 10 of the parents who are now working formerly received public assistance and attended training programs; 21 of the working parents pay weekly fees ranging from $2 to $34; 19 of the working parents work in private industry. None of them are eligible for food stamps or medicaid and some have minimal or no health coverage.

One parent who works has multiple sclerosis. Another has a child who suffers from cerebral palsy; 15 other parents are coping with tragedy, children with identified disabilities, et cetera. The 12 parents with drug/alcohol problems have gained new respect for themselves by being accepted in their own rights as parents and users of day care services.

As a day care director, I can't envision the proposed cuts in the child care food program without seeing the faces of those parents and children who will be most adversely affected. The majority of the families I have portrayed qualify for either free or reduced-price meals. These children come to school with minds hungry for learning and bodies hungry for food. David, a 5-year-old, arrives at 8 a.m. and by 8:10 he is asking about breakfast. As it is, David is quite able to consume 4 ounces of juices, 6 ounces of milk, one-half slice of buttered toast and say that he would like more.

There are other curious dichotomies in the USDA nutrition guidelines. We are teaching children about the food their bodies need for wholesome nourishment and then tease them with one-half portions of meat, one-half-cup portions of vegetables and/or fruit, half-slice of bread, 6 ounces of milk, with no allowance for seconds.

Programs are also put in the position of having to decide which meal patterns to use to draw down the highest reimbursement to insure adequate funding rather than making that decision based on the needs of the children for particular meals. At Nat Azarow we could have chosen not to serve breakfast and have David wait until 9:30 or 10 for a snack of a half-slice bread or a one-quarter cup of hot cereal and 4 ounces of milk or juice so that we could receive the higher reimbursement for serving lunch at 11:45 and a light supper at 3:30.

Of about 20 children who were recently examined, their doctors noted that five of them were suffering from iron deficiency, David among them. I add my voice, Honorable Members of Congress, to those who are vigorously protesting the proposed cuts and changes in the child care food program.

I certainly support what has been said here in terms of us needing to have that fund allowance at the level that it was set originally.

Thank you very much for this opportunity to speak on behalf of young children and their parents who, if given the opportunity, only want to be productive contributors to society.

Thank you.

Mr. GOODLING. Thank you. Your entire statement will be included in the record.

[The prepared statement of Geraldine Nicholas follows:]

PREPARED STATEMENT OF GERALDINE NICHOLAS, DIRECTOR, NAT AZAROW DAY CARE CENTER, BROOKLYN, N.Y.

I am Geraldine Nicholas, director of the Nat Azarow Day Care Center, located in the Brownsville section of Brooklyn, New York. When one mentions this area of New York City, negative images come to mind—burned out, abandoned buildings, crumbling tenements, garbage strewn vacant lots, desolate streets, drug addicts, alcoholics, truant youngsters, unemployed adults, pregnant teenagers. These are the images that stand out; these are also the realities for the people who live there. Yet despite these conditions, since Nat Azarow Day Care Center opened in 1969, people come from these same streets who are seeking independence and control of their lives. They may have some of the same problems but hopes for a better life for them and their families give them the incentive to seek a way to change. It is with this goal in mind that many parents first approach the day care center. We, at the day care center, witness repeatedly how government funds used for its operation become the best possible investment for governments yielding calculable returns.

To illustrate this point I would like to tell you about some of the parents of Nat Azarow Day Care Center. From this depressed area of Brooklyn, at a time when nationwide unemployment is at its highest, and when the morale of poor people is at its lowest—of 95 families with 105 children, 36 parents are working, 19 parents are in vocational training programs, 13 parents have chronic ailments, 12 parents have drug/alcohol related problems, 6 primary caretakers are grandparents (2 of whom work, 4 are ill), 9 parents are looking for work, 2 parents are under psychiatric care, and 1 foster parent has an emotionally disturbed child. Despite their varied reasons for seeking services, these parents share a common bond in wanting education and proper care of their children in an appropriate setting while they are constructively engaged.

The foregoing facts do not even begin to tell the whole story. At least 10 of the parents who are now working formerly received public assistance and attended training programs. 21 of the working parents pay weekly fees ranging from $2 to $34. 19 of the working parents work in private industry. None of them are eligible for food stamps or Medicaid and some have minimal or no health coverage. One parent who works has multiple sclerosis, another has a child who suffers from cerebral palsy.

Fifteen other parents are coping with tragedy, children with identified disabilities, etc. The twelve parents with drug/alcohol problems have gained new respect for

themselves by being accepted in their own rights as parents and users of day care services.

As a day care director I can not envision the proposed cuts in the Child Care Food Program without seeing the faces of those parents and children who will be most adversely affected. The majority of the families I've portrayed qualify for either free or reduced price meals. These children come to school with minds hungry for learning and bodies hungry for food. David, a five year old, arrives at 8 a.m. and by 8:10 he's asking for breakfast. As it is, David is quite able to consume 4 oz of juice, 6 oz of milk, ½ slice buttered toast, and say that he would like more.

There are other curious dichotomies in the USDA nutrition guidelines. We are to teach children about the foods their bodies need for wholesome nourishment and then tease them with 1½ oz portions of meat, ½ cup portions of vegetables and or fruit, ½ slice of bread, 6 oz of milk with no allowance for seconds. Programs are also put in the position of having to decide which meal patterns to use to draw down the highest reimbursement to ensure adequate funding rather than making that decision based on the needs of the children for particular meals. At Nat Azarow Day Care Center we could have chosen not to serve breakfast and have David wait until 9:30–10 for a snack of ½ slice bread or ¼ cup hot cereal and 4 oz of milk or juice so that we could receive the higher reimbursement for serving lunch at 11:45 and a light supper at 3:30 p.m.! Of about 20 children who were recently examined, their doctors noted that 5 of them were suffering from iron deficiency, David among them.

I add my voice, Honorable Members of Congress, to those who are vigorously protesting proposed cuts and changes in the Child Care Food Program. I urge you to keep the Child Care Food Program a separate entitlement with funding at least at the current levels. Funds to the Family Day Care feeding program must also be fully restored for the benefit of the thousands of working parents who use this program. Finally even more young children in the Head Start Program will be short changed if sufficient funds to cover all their food costs are not transferred into the total Head Start budget. The proposed $76.35 million is not an adequate sum.

Thank you for this opportunity to speak in behalf of young children and their parents who, if given the opportunity, only want to be productive contributors to society.

[From CSA Newsletter, March 9, 1982]

News From Our Schools: To Meet the Needs of the Working Mother

In an era when most women are members of the work force and many head single parent families, day care is more essential than ever before in our history. Earlier this year, CSA President Ted Elsberg and Newsletter Editor Charnia Adelman visited one of this city's outstanding day care centers, the Nat Azarow Day Care Center, which serves the Brownsville-East New York communities of Brooklyn. Its director is Geraldine Nicholas, pastpresident of the Professional Association of Day Care Directors. What we saw, as we toured the center with Director Nicholas, was most impressive.

The Nat Azarow Day Care Center, which opened its doors in March 1969, is known in the community as a place where the needs of parents and children are given the highest priority. Each staff member understands his/her role and the kind of participation that is necessary to achieve and maintain this type of reputation. The teachers focus on education goals and teaching strategies that will meet the development needs of each child. The maintenance staff provides nourishing meals for breakfast, lunch and afternoon snacks (all suffering reductions courtesy of President Ronald Reagan) and keeps the school premises clean. The bookkeepers maintain an efficient, accurate bookkeeping system. The director orchestrates the entire operation to ensure its smooth functioning. In addition to overseeing the day to day operations, the director's responsibilities include the upholding of licensing standards, supervising the educational program, assisting families to become and remain eligible for day care, ensuring fiscal accountability, assisting parents with special problems, acting as a liaison to other agencies, etc.

The center is licensed by the Division of Day Care, Department of Health every two years to provide education and care for 95 children ages three to six. It is presently sponsored by Brooklyn Kindergarten Society, which also sponsors four other Brooklyn day care centers and gives program support to its centers. The Agency for Child Development is the city agency that supervises the Group Day Care Program of New York City.

In order to provide comprehensive services to children and their families ten hours a day (from 8 A.M. to 6 P.M.), five days a week, for 52 weeks per year, the center requires and employs a full complement of professional and non-professional staff members, a majority of whom were drawn from the Brownsville-East New York community. Each of the five classes is headed by a teacher who, minimally, must have a Bachelor's Degree and New York State Certification to teach grades N–6. The director, as well as two of the head teachers, have Master's Degrees. The five assistant teachers have varying amounts of college credits, one of them possessing a Bachelor's Degree. The five part-time teacher aides also have varied educational backgrounds, ranging from three years of high school to some college credits. But their learning experiences do not end with formal education. Staff members at Nat Azarow Day Care Center have participated in a Right to Read Program and a RIF program, though the sponsoring agency. They have also availed themselves of training offered by N.Y.U., Columbia School of Social Work, Brookdale Hospital Community Mental Health Center, League for Emotionally Disturbed Children, Early Childhood Resources Center, Medgar Evers College, Agency for Child Development, and others. As staff members have achieved the required qualifications, they often have been promoted to higher positions. Staff members have also helped to train young people and adults for various types of programs.

Seventy-five per cent of the parents are working now or are in training for jobs. The majority of the families are headed by female parents. In five families grandparents are the primary caretakers. One-third of the total parent population has problems which have been identified by other agencies or medical sources. The center is parent-oriented and its bulletin boards contain information about jobs, training, cultural events, health information, etc., all useful for families. Each classroom also has bulletin board space to display examples of classroom work and explanations of program goals. Periodic newsletters and parent-teacher meetings are used as vital means of communication. Political participation is encouraged on an ongoing basis on current issues of importance to families and the day care program.

From the day the Nat Azarow Day Care Center opened, it has made a constant effort to be a viable part of the community with its doors open to those who think the center may be of service to them. This task has become increasingly difficult as Reagan-omics impacts on day care funding sources. Hard decisions will have to be mede about which parents will remain eligible for service. Having to make such decisions is particularly distressing at a time when 64 percent of the city's day care parents are employed, 16 percent are in school or receiving vocational training, and 6 percent are looking for work. These parents are making meaningful advances toward becoming and remaining independent breadwinners. Many are now in danger of being forced off the labor rolls and onto the unemployment or welfare rolls because the cutbacks will take their day care eligibility away from them or, equally devastating, force them into making unsafe, unsound arrangements for their children because they refuse to give up their independence.

STATEMENT OF LORI WEINSTEIN, DIRECTOR, FAMILY DAY CARE ADVOCACY PROJECT, THE CHILDREN'S FOUNDATION

Ms. WEINSTEIN. Thank you, Mr. Goodling, for the opportunity to speak before you today to discuss the proposed cuts in the child care food program. We fear that the administration's proposal to eliminate family day care homes from the child care food program would adversely affect the tens of thousands of family day care providers, children, and parents who benefit from the program.

Family day care is home-based care. It is estimated that at least 80 percent of the more than 7½ million children currently in child care in this country are in family day care homes. The child care food program was authorized by Congress in 1968 to provide food and nutrition assistance to children of working mothers. Legislation enacted in 1975 provided for the expansion of the program into family day care homes with nonprofit sponsor organizations serving as the administrative arm of the program.

Currently there are more than 600 sponsors administering this program to more than 47,000 family day care homes.

In addition to the cash reimbursement which providers receive for serving two meals and on snack per day, providers also receive nutrition information and education, the benefits of which are passed on to the children enrolled in the program and to their families.

We cannot emphasize enough the importance of this program to those who participate in it. Family day care homes have traditionally provided care to infants and toddlers from birth up to age three. The income of families using this form of care is lower than the national average and close to 40 percent are single-parent families. It is important as well to consider the income and expenses of child care providers in looking at food program cutbacks.

Food is a provider's major out-of-pocket expense. The average net hourly wage for a licensed provider in this country is $1.12 per hour.

In 1977, 94 percent of all providers had earnings below the poverty line. I offer this information in order to illuminate the financial and economic realities of family day care and to provide a context within which to understand the potentially devastating effects of reducing or eliminating family day care homes from the child care program.

As it is, only regulated homes are eligible to participate in the food program. In the USDA's FNS report No. 44 released in January of this year, it was reported that in fiscal year 1982 close to 200,000 children in family day care homes participated in the program on an average daily basis. Small as this number is, it nevertheless represents children whose nutritional well-being is largely dependent on the program.

Studies show that children participating in the food program received meals which provide a higher level of calories and nutrients than children who were not enrolled in the program. Receiving daily nutritious meals is particularly important in family day care homes where low income children receive 70 to 100 percent of their daily nutritional intake.

What is apparent is that in family day care homes the family food program provides critical support for the availability of low cost, quality child care. Despite the fact that the child care food program provides nutritious quality meals to children in family day care homes who otherwise might not receive important vitamins and nutrients so vital to physical and emotional development in their early years, and despite the fact that the cash reimbursement that family day care providers receive enables them to serve wholesome and healthy foods that would be prohibitively expensive without the program, particularly in light of their minimal salaries. And finally, despite the fact that the benefits of the program's educational information and nutritional supplements are well documented, the administration is seeking to eliminate the entire family day care portion of the child care food program.

The possibility of the elimination of family day care homes from the food program has far-reaching consequences. Providers, unable to cover the costs of serving the same nutrition meals to children out of pocket, will be forced to feed children cheaper, non-nutritious foods, generally those that are high in starch and sugar.

Most, regardless of what they serve, will be forced to raise their fees at a time when few parents can afford to pay increased child-care costs. For most parents, particularly the working poor and

single parents, the cost of paying additional child-care fees to make up the reimbursement and feeding costs, would be prohibitive and leave them no resort but to leave their children alone or to quit their jobs and apply for public assistance.

With the rising costs and lower enrollments, providers may well be forced to go out of business. Certainly the quality of care will suffer.

In addition to further cuts in the child care food program at a time when millions of people are unemployed or underemployed, it could have grave consequences. In the past year we have heard from providers throughout the country about the increasing financial difficulties of families using their services. Family formerly supported by two incomes are now supported by one. Most often it is the father whose larger income formerly covered the bulk of the family's expenses who is now out of work. Single mothers, laid off from decent paying jobs, have been forced to find jobs which pay a fraction of their previous wasges.

These drastically reduced incomes make it exceedingly difficult to either pay increased child care costs or to provide the same nutritious meals that are offered through the program.

One provider who I spoke with earlier this week expressed her delimma most succinctly. More and more it seems that families rely on the meals that are offered to the children in day care.

I have three kids right now who I know don't eat except what I feed them, except when they are here. But without the food program how can I afford to feed them? Today I make less money than I did a year ago but my costs are higher. But I can't charge parents more. Some of them are in worse shape than I.

Two years ago nearly $130 million was cut from the child care food program. In day care homes, providers were forced to make difficult adjustments by serving fewer, less nutritious meals, or by raising their fees. The consequences have caused great hardship for children, providers, and parents alike. Further cuts would be disastrous. The total exclusion of family day care homes from the child care food program would be catastrophic and further undermine the support for children of low and moderate income working families. Thank you.

[Prepared statement of Lori Weinstein follows:]

PREPARED STATEMENT OF LORI WEINSTEIN, THE CHILDREN'S FOUNDATION, WASHINGTON, D.C.

Mr. Chairman and members of the Subcommittee, I would like to thank you for the opportunity to speak before you today about the proposed General Assistance Nutrition Grant and the substantial cuts in the Child Care Food Program that it would entail. My name is Lori Weinstein and I am with The Children's Foundation, a national advocacy organization for children and the people who care for them. We fear that the Administration's proposal to eliminate family day care homes from the Child Care Food Program would adversely affect the tens of thousands of family day care providers, children and parents who benefit from the program.

Family Day Care is home-based child care. By definition, it is the caring for two or more unrelated children in a private home. It is estimated that at least 80 percent of the more than seven and a half million children currently in child care in this country, are in family day care homes.

The Child Care Food Program was authorized by Congress in 1968 to provide food and nutrition assistance to children of working mothers. Legislation enacted in 1975 provided for the expansion of the program into Family Day Care homes, with non-profit "sponsor" organizations serving as the administrative arm of the program. Currently more than 600 sponsors administer this program for more than 47,000 day care homes.

In addition to the cash reimbursement which providers receive for serving two meals and one snack per day, providers also receive nutrition information and edu-

cation, the benefits of which are passed on to children enrolled in the program and their families. We cannot emphasize enough the importance of this program to those who participate in it.

Family Day Care homes have traditionally provided care to infants and toddlers, from birth up to age three. The income of families using this form of care is lower than the national average, with close to 40 percent being single parent families. It is important as well to consider the income and expenses of a child care provider when looking at food program cutbacks. Food is a provider's major out-of-pocket expense. The average net hourly wage for a licensed provider is about $1.12 per hour. In 1977, 94 percent of all providers had earnings below the poverty line and 99 percent were below the low income line. In addition to extremely low wages, providers work exceptionally long hours, often as much as fifteen hours a day.

I offer this information in order to illuminate the financial and economic realities of family day care, and provide a context within which to understand the potentially devastating effects of reducing or eliminating family day care homes from the Child Care Food Program.

As it is, only regulated homes are eligible to participate in the Child Care Food Program. USDA's FNS Report No. 44, released January 23, 1983, reported that in fiscal year 1982, 197,181 children in family day care homes participated in the program on an average daily basis. Small as this number is, it nevertheless represents a group of children whose nutritional well-being is largely dependent upon the program.

Studies show that children participating in the Child Care Food Program receive meals which provide a higher level of calories and nutrients than children who are not enrolled in the program. Receiving daily nutritious meals is particularly important in family day care homes where low income children receive 70 to 100 percent of their daily nutritional intake.

A draft of the still unreleased 1980-81 Abt Study of the Child Care Food Program revealed that the program has significantly enhanced the nutritional quality of the diet provided in family day care. The study reported that:

"The primary goals of the CCFP is to provide nutritious meals to children in day care, in an attempt to improve the quality of their diets. Perhaps the single most important finding of this study is that CCFP is meeting this objective."

What is apparent is that in Family Day Care homes the Child Care Food Program provides a critical support for the availability of low cost quality child care.

Despite the fact the Child Care Food Program provides nutritious, quality meals to children in family day care homes who otherwise might not receive important vitamins and nutrients so vital to the physical and emotional development of their preschool age years; and despite the fact that the cash reimbursement that family day care providers receive enables them to serve wholesome and healthy foods that would be prohibitively expensive without the program particularly in light of their minimal salaries; and finally, despite the fact that the benefits of the program's educational information and nutritional supplements are well documented, the administration is seeking to eliminate the entire family day care portion of the Child Care Food Program. Their rationale is veiled in ambiguous language and statistical information.

The Administration is claiming that statistics compiled by the Abt study nearly three years ago indicate that the vast majority of children in family day care homes who are receiving the benefits of the Child Care Food Program come from families whose income is 130 percent of poverty (roughly $12,000 per year, for a family of four). Yet Abt has consistently refused to make the study public and, as of yet, no one outside of the Department has been able to analyze the data or the research methodology used to collect them. Even if there were some validity to the statistics, there are still nearly 50,000 children in family day care homes participating in the program who fall below 130 percent of the poverty line and who would lose out on the program due to its elimination.

How can this Administration in good conscience advocate eliminating a program based on statistical information they refuse to release?

How can this Administration in good conscience advocate eliminating a program in which, even by their own statistical measurement, they know that close to 50,000 of the participants, come from needy families?

The possibility of the elimination of family day care homes from the Child Care Food Program has far reaching consequences. Providers, unable to cover the costs of serving the same nutritious meals to children out of pocket, will be forced to feed children cheaper non-nutritious foods generally those that are high in starch and sugar content. Most, regardless of what they serve will be forced to raise their fees, at a time when few parents can afford to pay increased child care costs. For most

parents, particularly the working poor and single parents, the cost of paying additional child care fees to make up the reimbursement in feeding costs, would be prohibitive, and leave them no resort but to leave their children alone or to quit their jobs and apply for public assistance. Providers, faced with rising costs and lower enrollments, may well be forced to go out business. Certainly they will provide lower quality care.

In addition, further cuts in the Child Care Food Program at a time when millions of people are unemployed or underemployed could have grave consquences. In the past year, we have heard from providers throughout the country, about the increasing financial difficulties of the families using their services. Families, formerly supported by two incomes, are now supported by one. Most often, it is the father, whose larger income which formerly covered the bulk of the families expenses, who is now out-of-work. Single mothers, laid off from decent paying jobs, have been forced to find jobs which pay a fraction of their previous wages. These drastically reduced incomes make it exceedingly difficult either to pay increased child care costs or to provide the same nutritious meals that are offered through the Child Care Food Program. One provider whom I spoke with earlier this week expressed her dilemma most succinctly.

"More and more it seems that families rely on the meals that are offered to the children in day care . . . I have three kids right now who I know don't eat except what I feed them.

"But without the food program how can I afford to feed them? Today I make less money than I did a year ago, but my costs are much higher. But I can't charge the parents more, some of them are in worse shape than I am."

Two years ago nearly $130 million was cut from the Child Care Food Program. In day care homes, providers were forced to make difficult adjustments by serving fewer, less nutritious meals, or by raising their fees. The consequences have caused great hardship for children, providers and parents alike. Further cuts would be disastrous. The total exclusion of family day care homes from the Child Care Food Program would be catastrophic and would further undermine support for the children of low and moderate income working families.

Statistical information included in this testimony is cited from: "Day Care Centers in the U.S.: A National Profile 1976-77" by ABT Associates, prepared for the Day Care Division, Administration for Children, Youth and Families, OHDS, USDHEW, December 1978. "Family Day Care in the U.S. Final Report of the National Day Care Home Study". DHHS Publication (OHDS) No. 80-30287, Sept. 1981.

Mr. GOODLING. Since I wasn't here at the beginning I want to make sure that all had an opportunity to testify. Let me just make one statement and then I'm going to ask staff if they have any questions that they would like to ask. I think I'm safe in saying that when the budget leaves the House of Representatives there will be a minimum of a 5-percent increase in school lunch and child nutrition programs. That's my belief and I think I can say that, that there will be a minimum of a 5-percent increase in school lunch and child nutrition programs.

What that means when we finalize the budget, I'm not sure. But in my dealings with Senator Dole he's usually very concerned in these areas also and I would think that would bode well for at least not a decrease and not an acceptance of many of the recommendations that have come from the child nutrition people downtown.

Having said that, I'm going to ask the staff, Jack first of all, if he has any questions that he would like to ask?

Mr. JENNINGS. Thank you, Mr. Goodling. Let me apologize again to the witnesses for Mr. Perkins' absence, but Speaker O'Neill called this meeting at the last minute of the committee chairmen to talk about the budget and Mr. Perkins felt that he had to attend that meeting.

I would just like to ask some questions in order to give a chance for a response to some assertions that were made before the subcommittee on Tuesday by Ms. Jarratt who appeared and represent-

ed the administration trying to justify the administration's proposals.

Mr. Cooney, I'd like to ask you about one statement she made about the school breakfast program. At the time, she said in her prepared statement, that "Although the school breakfast program was well targeted on low-income students, that it did not appear to be delivering the nutritional benefits that had been expected," and she cited a national study of the school nutrition programs which gave very high marks to the lunch program in terms of nutritional benefits, but found that the school breakfast program was wanting.

Would you care to comment on that? Have you seen this study and do you agree with it?

Mr. COONEY. The study, of course, is unnamed and not available to the public. The study that I believe that the Assistant Secretary is referring to is likely to be the systems development study which Congress authorized 4 years and which you've spent $4 million on.

Specifically in that study, it is rumored and it is our understanding that there's a difference between breakfast and lunch in terms of the success of those particular programs in certain nutrients. It is our understanding that the systems development study actually indicated that the school breakfast program provides superior milk-related nutrients and in nutrients other than milk there is a suggestion and a recommendation within that study to improve the meal pattern, which would likely be expanding a requirement for protein. That would probably be the most likely way to do that.

The Secretary failed to mention a study which they paid for and was the centerpiece of their Outlook Conference in December 1983, which I have a copy of and will submit to the record. This particular study says that participation in school breakfasts and school lunch is associated with improvements in nutrient intakes frequently found to be under consumed by children of school age. Participation is particularly important for low-income children of all ages.

The study goes on to say that if the school breakfast program were available in schools, 600,000 additional children would consume breakfast. I think what you're seeing is the Secretary taking a look at the North Carolina study, which is the Barry Popkin study, and the systems development study. They both say that breakfast is good except systems development says, "You may want to add some protein and our recommendation is that in nutrients other than milk that the meal pattern needs to be improved."

But they reach a conclusion that the program should be block granted, cut by 28 percent, and returned to the State. Nothing in either one of those studies could justify that conclusion. They knew that evidence in advance yet they based their block grant on data in the study that one could not reasonably conclude is logical.

Mr. JENNINGS. Thank you. If I could ask you another question about the summer feeding program, Ms. Jarratt said in her statement that that program was deficient, in her view, because it was site based in the sense that the funds were given so that the summer program was available in a particular locality and then the program was available to whomever came to that locality, regardless of family income.

She said that in her prepared statement. And then during the course of questioning by Mr. Miller she said that many middle income and upper income children were coming into low-income areas in order to take advantage of the free summer lunches. Do you believe that that is true, from your experience?

Mr. COONEY. Well, my experience dates back to my days when I was in Connecticut and we helped to put together a local community action agency in a rural area, 750 square miles, 20 towns, no town having more than 10,000 people. We put out a lunch for 2,000 kids that the agency prepared by itself from scratch and delivered to 20 different sites. That has not been my experience.

If that statement is correct, if Ms. Jarratt is correct on this, then perhaps we should recognize that the summer food program has failed in one area but has succeeded in another, and that it should replace school busing as the way to bring low- and moderate-income people together. I did steal that line from Representative Miller and I'm sure that he's liberal enough to let me use it.

You take an image. You take an image of somebody in West Hartford, Conn., a very wealthy, suburban area, from South Hartford, and there's always a little tension between the two, but you assume that someone is going to drive to an area, to a site. It's possible. It's like the case of the half-eaten apple. That's where there's fraud, waste, and abuse and where it in part comes from. The kid eats half of the apple on the site, eats the remainder of the apple on his front steps. He has been another one of those heinous criminals ripping off the Federal Government because he's gone from the site to his house. The site, in many instances, is low income housing projects and he's living in the site.

If you have an area, Bob Olsen, the state director from Illinois, testified with me a couple of years ago in front of Senator Dole's subcommittee on nutrition, and Mr. Olsen said:

> Listen, if you have a site in an area that's 50 percent needy, you in reality have a site that's about 80 percent needy. Low income children don't nudge next to the middle income families in communities

Communities in America don't break down 50–50. If you have a low-income area that has 50 percent needy, it's likely that it's in reality 80 percent. Is it technically possible that Ms. Jarratt is right? Yes. Is it logical or practical or does it have any place in real experience? Not in my experience.

Representative Goodling did visit some sites in Philadelphia and I'd certainly like to hear his comments on summer food and——

Mr. GOODLING. I didn't see too many affluent youngsters at any of those sites. My only disgust with the whole operation was that the school system couldn't provide a place where the youngsters could sit down and eat their lunch instead of standing out in the rain on the curb eating their lunch.

Mr. JENNINGS. Thank you. If I could just ask one other question on the child-care program. Several years ago that program was amended in order to help meet a worthy goal, which was to eliminate paperwork, which was very fashionable as a goal at the time, and one of the amendments simplified the payment procedure so that instead of individually identifying the income of children, a

home could receive money based on a certain percentage of children who happened to be low income.

Now the administration is saying as a result of that amendment, which was enacted in order to eliminate paperwork that it means that some children in day-care homes who are not poor are receiving money and, again, the administration on Tuesday used that as a justification for cutting back on the child-care program, namely, that all the funds were not concentrated solely on low-income children.

Now how would you respond to that criticism, and is there any way to face up to any legitimate criticism that the program is not adequate on low-income children and is there any way to administratively do that without causing cumbersome paperwork?

Mr. LAMBERT. It is my experience, as I said in the testimony, and also the statistics from the Department of Education—in my program for an example, or I should say, 99.9 percent of the children who receive care and also receive the benefits of the child-care food program are title XX eligible and I have described what that means. In the State of Pennsylvania, their own figures show that 90 percent of the children in child care and in family-day-care homes are title XX eligible. So immediately you are talking about low income. The vast majority of children receiving child care food in family day care homes are low income according to title XX standards.

Mr. JENNINGS. Do you know if the remaining 10 percent are close to that income level or are they far above that income level? Where would they be?

Mr. LAMBERT. I don't know exactly where that is. I know that in my particular program we are not talking about 10 percent, it is a smaller percentage because we just recently opened up a private component to it. We are really serving those families who lost care as a result of the 1981 cuts. They were the ones who were between that 90 percent and 115 percent of the State median income so that they are near what would be considered the low-income level and they lost care.

Actually, in some ways, they are particularly—have been particularly hurt in the sense that they are out paying the private rate which is substantially higher. It compares, for example, to really twice what a person—they would be paying somewhere between $50 and $80 a week for child care whereas before they were paying somewhere in the vicinity of $20 per week.

So that huge chunk out of there budget is making it extraordinarily difficult for those people who are just a little over and that is the group of people, of course, given the changes suggested, would have a reduced meal. So there is no question that since the paperwork has been eliminated in family day care homes for those receiving a flat rate, the quality of the program has, in many ways, improved.

For one thing, the care giver, who has sometimes had difficulty keeping track of the paper in that regard no longer has to do it. It seemed a tremendous waste of time since the majority, and clearly a majority, were eligible to begin with. For us to go through this and the manipulations that took place for something called a

blended rate, and so on, by the time we were finished we were still collecting the cost of food flat-out rate as it was anyway.

But, more importantly, I think in some ways when you have a variable rate, we cannot predict how much we are going to be able to return to the care giver for the cost of food, and that makes it very difficult and in some ways discriminatory to the care giver and to the children in her home. Some children, for an example, would be getting the complete rate and others would not be getting that at all, and therefore, we couldn't predict with any certainty how much the care giver would be reimbursed for meals and snacks in her home.

Mr. JENNINGS. Would Ms. Nicholas or Dr. Houk like to add to that?

Ms. NICHOLAS. In the group-day-care program in New York City, the majority of the families, as the previous person testified, are title-XX-eligible families. We are finding that, as parents who have been working a while approach the point where they may begin to have to pay fees above $25 a week, those are the parents who essentially are dropping out of the program so that even if the Government is saying that these are people who can afford more, this is really not so. These are the same people who don't many times have any kind of health plan. We see so many times where they cannot afford to take their children to the doctor when they should.

They receive no other kind of supplementary help. They are doing everything on their own, which is what the Government is saying that they want. But yet, for this food the Government is now saying that they're getting something that they shouldn't get. Really, I agree that it is discriminatory. You're damned if you do and you're damned if you don't.

Mr. JENNINGS. Thank you very much for your testimony.

Mr. COONEY. Mr. Jennings, I would just like to add one other point. The administration did base its testimony on the Abt study in terms of raising a question as to whether or not there is a problem with the means test in the day-care program.

There is some concern that the methodology used in that study is open to question. After all, the last greatest effort on the family-day-care study was an unauthorized and technical breach of the law, just a survey that the USDA did in the southeast using a technique known as regression analysis. In its briefest form that is that if you have a community in which there is fire and you also have firemen in that community, under this technical analysis, you must conclude that firemen cause fires.

I would suggest that the Abt study, the methodology for that be looked at. I am not trying to suggest that there is not a legitimate area of concern in terms of means tests and the family day care. But, I will be going with many of the panelists to a meeting in Atlanta, "Save the Children," and this issue will be addressed and there will be some papers coming out of that about the difficulties of going one way or another and we will be able to submit this to Mr. Goodling's office and the chairman's office as well.

Mr. GOODLING. I believe Mary Jane has one question.

Ms. FISKE. My question is for the panelists who have special interests in the lunch program and the breakfast program, we heard

testimony from the administration earlier in the week that suggested that parents underreported income substantially. I think the figure of 30 percent was used and that was based on an earlier—the Office of the Inspector General—a report prepared several years ago.

My recollection of the study's finding is this: yes, there was incorrect reporting of family income, but it wasn't a fraudulent activity. And, if I recall correctly, and this is where I need some help, the suggestion was that the USDA had not worked carefully with the States and the schools to make sure that what was requested of parents was clearly understood by them.

If I recall, they admonished the Food and Nutrition Service to work with the schools to improve the terminology on the free and reduced price meal applications. I would like any of the panelists to respond to my concern and to verify whether what we heard Tuesday was perhaps not really the bottom line of the OIG report?

Mr. COONEY. There is an OIG report talking about discrepancies in free and reduced price meal applications and I believe that's the report you're referring to.

There's also a specific General Accounting Office analysis of that report which this committee requested, which reviews the objections that OIG had and the responses that the Food and Nutrition Service had to those.

But I think your assessment is correct. What the OIG found was that there were a series of errors. In other words, at that time there was no requirement in the law as to what your income reporting period was, and therefore, schools would take 8 months, or 12 months, or they might look at the income that you got the year before, and so you had this series of technical errors, not a case of a deliberate fraud.

You have to bear in mind that a moderate income family that is participating in the school lunch program, if they were defrauding the Government the maximum benefit they would get is 80 cents times 180 schooldays. That's the national average price for a school lunch. For someone willing to do time for that kind of money, I think that's probably slight.

But in terms of that specific study, that was not a 30-percent fraud rate; and their methodology is also questioned in the GAO report as well. But there's a suggestion that social security numbers be required and that there be an income reporting period and there be some verification requirements.

All of those things went into effect as a part of the Reconciliation Act of 1981. I might add that we opposed each and every one of them as unnecessary. But they did go into effect. So all of those elements which would protect the very charge that the Department raised are in existence now and working and I think you'll find that as a response next week from the American School Food Service Association.

They don't want the child nutrition program turned into a, quote, "welfare program." I think welfare is a good word. It implies that you like somebody and you want to help them out. But that may not be the general connotation.

But the school food service people don't want, and we don't want, school lunch to be made a welfare program by having applications

sent from the school to the office which employs people under a freeze in their own State government. It will cost money, not save money.

Ms. FISKE. Ed, just going back to a narrower point, is the 30-percent figure that was raised here, and you were here on Tuesday—the suggestion stays in my mind that the 30-percent underreporting by parents, I don't think we had addressed here why they were underreporting and I wondered from your perspective, how much of that did you think was fraudulent?

Mr. COONEY. They were underreporting because there were no requirements for any local school official to know, in fact——

Ms. FISKE. What you were supposed to report?

Mr. COONEY [continuing]. What you were supposed to report. And there was a wide variety.

It's a question that—it's just like OIG and the General Accounting Office and these advocacy groups and members of Congress, you know, when they get information they say: "Well, there's a problem here," and generally speaking there is. But USDA's response on Tuesday was that they had come to a conclusion not warranted by the facts in those problems.

Ms. FISKE. Thank you.

Mr. GOODLING. I want to thank all of you for coming and testifying and just assure you that we look very carefully at priorities and only the Congress of the United States can make any changes in anything. Only the Congress of the United States can determine how much money is raised and how much money is spent, and we'll do our very best in trying times to set the priorities in order.

Thank you again for testifying.

[Whereupon, at 11:05 a.m., the hearing adjourned.]

OVERSIGHT ON ADMINISTRATION'S BUDGET PROPOSALS FOR CHILD NUTRITION PROGRAM

TUESDAY, MARCH 8, 1983

HOUSE OF REPRESENTATIVES,
COMMITTEE ON EDUCATION AND LABOR,
SUBCOMMITTEE ON ELEMENTARY, SECONDARY,
AND VOCATIONAL EDUCATION,
Washington, D.C.

The subcommittee met, pursuant to call, at 9:30 a.m., in room 2175, Rayburn House Office Building, Hon. Carl D. Perkins (chairman of the subcommittee) presiding.

Members present: Representatives Perkins, Martinez, Goodling, and Packard.

Staff present: Beatrice Ritter Clay, legislative specialist; John F. Jennings, counsel; Mary Jane Fiske, senior legislative associate; and Richard DiEugenio, senior legislative associate.

Chairman PERKINS. Good morning to all of you ladies and gentlemen.

The Subcommittee on Elementary, Secondary and Vocational Education begins its second week of oversight on the President's fiscal year 1984 budget for child nutrition. We want to welcome the members of the American School Food Service Association that are with us today.

We are delighted to see all of you here today and we will together to the best of our ability in the future.

This is the third consecutive administration that has proposed major cutbacks in the school feeding program.

The 1982 cuts of $1.5 billion resulted in severe program losses. The school lunch program lost over 2,200 schools and over 3 million children and the school breakfast program lost 650 schools and 500,000 children.

Although we were able to protect these programs from further cutbacks last year, the administration has come back again this year with a package of cuts totaling $350 million.

We are very pleased to have with us today Ms. Clarice Higgins, president of the American School Food Service Association; Ms. Manya Ungar, legislative vice president with the National PTA; Ms. Anita Ellis, with the Society for Nutrition Education; and Mr. Charles Hughes, American Federation of State, County and Municipal Employees.

Ms. Higgins, we appreciate your association's efforts on behalf of these programs and you may proceed with your testimony in any manner you prefer. Come around, Ms. Higgins, and then Charles

Hughes will come around, and Ms. Ungar will come around, and Anita Ellis, all of you come around and we will hear you as a panel this morning.

We will let you identify yourself, Clarice Higgins, president of the American School Food Service Association, and without objection, all the prepared statements will be inserted in the record and you may proceed in any way you prefer. Go right ahead.

We are glad to have you here.

STATEMENT OF CLARICE HIGGINS, PRESIDENT, AMERICAN SCHOOL FOOD SERVICE ASSOCIATION, ACCOMPANIED BY GENE WHITE, LEGISLATIVE CHAIRMAN, AMERICAN SCHOOL FOOD SERVICE ASSOCIATION

Ms. HIGGINS. Thank you. I would like to introduce Mrs. Gene White, who is the chairman of our ASFSA legislative committee.

Chairman PERKINS. Go ahead.

Ms. HIGGINS. Mr. Chairman, members of the committee, my name is Clarice Higgins, and I am president of the American School Food Service Association.

We are extremely pleased to be with you this morning to discuss the emerging child nutrition issues. At the outset, Mr. Chairman, and Mr. Goodling, we would like to express our deep appreciation for your sponsorship and the strong support for House Concurrent Resolution 384, passed by the House of Representatives on September 29, 1982.

While the Senate did not take up the resolution prior to adjournment, a companion resolution, House Concurrent Resolution 121, was cosponsored by a majority of the Senate and agreed to by the conferees for the 1983 agriculture appropriation bill.

In short, Mr. Chairman, it is due to the bipartisan effort of this committee that the Congress is on record expressing the opinion that a uniform commitment to child nutrition should continue through Federal leadership and that Federal Government should retain primary responsibility for the child nutrition programs.

The administration is also to be commended for not including child nutrition in the New Federalism Act of 1983. It is gratifying to be able to start this year with these important principles established.

Mr. Chairman, President Reagan submitted his 1984 budget to the Congress on January 31, 1983. Following that submission, the ASFSA public policy and legislative committee met to discuss these proposals and other issues pending before the Congress. We appreciate this opportunity to share our thoughts with you.

The Federal support for child nutrition was reduced $1.5 billion, or approximately one-third, by the 97th Congress. As a result, some 3 million children were forced from the school lunch program. A third of these children, or 1 million children, had formerly received reduced-price lunches.

In addition, some 2,000 schools terminated their participation in the national school lunch program. The American School Food Service Association would strongly urge, therefore, that no additional child nutrition budget cuts be enacted in the fiscal year of 1984.

ASFSA opposes repealing the school breakfast program, the child care food program, and the summer feeding program and replacing them with a general nutrition assistance grant at greatly reduced funding.

These programs are an extremely important part of the Federal effort to protect the——

Chairman PERKINS. Let me interrupt you. All of you ladies that want to come up here and sit down in these chairs, come right on. We hate to see you standing up, and the gentlemen can come, too, until the members come in. The members can get back up here.

Go right ahead.

Ms. HIGGINS. Thank you, Mr. Chairman.

ASFSA is opposed to repealing the programs such as breakfast program, child care program and the summer feeding program and replacing them with the general nutrition assistance grant at greatly reduced funding.

These programs are an extremely important part of the Federal effort to protect the nutritional health and well-being of the Nation's children. A Federal cut of more than 200 million, in addition to the reduction enacted by the 97th Congress, would jeopardize the continuation of these vital services to children.

Mr. Chairman, in my own district, where we are serving 90 percent of our breakfasts to children approved for free meals, this would greatly affect the nutritional effectiveness that we have achieved since the breakfast program supplemented the lunch program.

Furthermore, a block grant approach represents an abdication of Federal responsibility and would result in many of these child nutrition services being terminated or drastically reduced.

The school breakfast program is the second-largest school nutrition program. The overwhelming of the breakfasts served are to children who qualify for a free breakfast. Cutbacks or elimination of the breakfast program will leave children currently participating in the program without breakfast.

In my own district, again, we had a parent attend the school board meeting the last of last month, filing a complaint with our school board that the majority of the children did not get to school in time to eat breakfast and this parent was asking for additional buses to be sure that those children got to school in time to eat breakfast. It was that important to him. So our school board is looking at how to solve that problem.

The need for the child care food program is increasing throughout the country in direct relationship to the increasing number of working mothers and single-parent families. Decreased Federal support will ultimately increase the cost of child care services and thereby reduce the opportunity for many parents to work.

Finally, with regard to the block grant, ASFSA also believes that the Federal Government should support a child nutrition effort during the summer months consistent with the approach used during the school year.

We therefore urge the Congress to reject this proposal.

Second, ASFSA opposes requiring food stamp offices to make the eligibility determination for free and reduced-price meals for sever-

al reasons. We are concerned that this proposal will result in fewer eligible children participating in the program.

The school meal program is an educational program and fragmented responsibility may create communications and accountability problems. All 12 million free and reduced-price lunch applications are reviewed and processed in the first month of the school year. We do not believe that food stamp offices will be able to process these applications in a timely manner.

Local flexibility would be undermined.

The closer the school meal programs are tied to the food stamp program, the more difficult it is to maintain the health and education missions of the program.

It should be noted, Mr. Chairman, that both this proposal and the block grant proposal have been submitted as a part of the appropriations bill. We would hope that you, as you have in the past, communicate with the Appropriations Committee on these important matters.

ASFSA supports legislation such as H.R. 1513, that would require the administration to donate wheat, rice, and other surplus agricultural commodities to schools and other eligible recipients.

Under the administration's recently announced payment-in-kind farm program, or the PIK, the Department of Agriculture will be giving farmers surplus grain which they can use for animal feed or for sale. If the Department is going to provide agricultural surpluses for hog feed and chicken feed and for free donations overseas, the commodities also should be shared with the Nation's children through the national school lunch program.

The bonus dairy products that schools currently receive free have been extremely important in holding down costs for millions of children. Bonus wheat, rice, and other commodities would not only strengthen our child nutrition programs, but would assist the Department of Agriculture in disposing of surplus commodities.

We are very pleased that H.R. 1513, as well as other pending bills, would provide the necessary Federal funding for transportation, storage, and distribution of the bonus commodities.

We would support Federal administrative funding for the entire commodity distribution program to enable the States to more effectively serve eligible recipient agencies.

Currently, over half the States, according to the National Association of State Agencies for Food Distribution, assess local schools for the State costs associated with the commodity distribution. While this issue may be beyond the scope of a bonus commodity bill, it should be addressed at an appropriate time.

ASFSA also supports the provision in H.R. 1513 which would expand and improve the system for processing surplus commodities into end food products.

ASFSA supports passage of H.R. 7, which would make permanent the several child nutrition programs whose authorizations currently need periodic renewal.

The nutrition education and training program, the summer food service program for children, the commodity distribution program, and the provision for State administrative expenses expire on September 30, 1984. All other child nutrition programs, including the

school lunch program and the school breakfast program, already have been made permanent.

ASFSA opposes termination of nutrition education and training program and supports the original concept of 50 cents per child per year for the purpose of nutrition education for students and ongoing training for school food personnel.

The reduced-price school meal program should be expanded. ASFSA supports lowering the cost of the reduced-price meal and expanding eligibility for the program. In recent years, the cost of a reduced-price lunch has increased from 10 to 40 cents. Eligibility has been restricted to children from households whose income is between 130 and 185 percent of the poverty line.

We believe that expanding reduced-price meals is essential in order to address the problems of our new economically needy families.

As the following chart indicates, participation in the reduced-price program has fallen dramatically since 1980 in several selected major metropolitan areas. These are Jefferson County, which is Birmingham, Ala., a decrease in reduced-price participation of 21 percent, 1982 over 1980.

In Oakland, Calif., a decrease of 29 percent; in Denver, Colo., 9 percent; West Hartford, Conn., 42 percent; Des Moines, Iowa, 23 percent; Omaha, Nebr., 35 percent; Columbus, Ohio, 26 percent; Austin, Tex., 26 percent; Fairfax, Va., 23 percent; and Seattle, Wash., 43 percent. Drastic reductions in reduced-price participation.

We recognize, of course, that some of these children have shifted to the free lunch program. Nationally, however, the fact remains that 3 million children left the lunch program and approximately one-third, or 1 million children, were formerly participating in the free and reduced-price program.

In conclusion, Mr. Chairman, it is the position of the American School Food Service Association that the budget cuts enacted by the 97th Congress have had significant and negative impact on the child nutrition programs. Any further budget cuts would jeopardize, not only the nutritional integrity of the programs, but their very existence.

Most of the attention this year is focusing on the block grant proposal, because it is the largest proposed cut. But the association is also deeply concerned over the proposed cuts in the school lunch program.

The three specific changes that have been proposed in the national school lunch program would result in a budget cut of $100 million. These proposals have been described as technical in nature, but the loss in revenue at the local level would be quite real.

The most significant cut would come from postponing for a period of 6 months any adjustment in the reimbursement rates. The child nutrition programs have not been overindexed in recent years.

The child nutrition programs are indexed based on the cost of food, not the Consumer Price Index example. Further, having to adjust the reimbursement rates during the middle of the school year would be administratively complex.

In addition to this change, the administration is proposing to reduce the reimbursement rates paid to schools for reduced-price lunches. The initial savings is estimated at $4.2 million, but the shortfall would grow over time.

Lastly, the administration is proposing, as we discussed earlier, that certification of free and reduced-price meals be conducted by the local food stamp offices. These three school lunch changes, taken together, would result in a cut of $100 million.

We, therefore, urge the committee and the Congress to reject all additional child nutrition budget cuts and to give serious consideration to expanding the reduced-price lunch program so that our new economically needy families across this country can qualify for this program.

Thank you very much, Mr. Chairman. We would be happy to answer any questions that you or your committee might have.

Chairman PERKINS. Thank you, we will go ahead and hear the entire panel first.

We will hear from you now, Mr. Hughes.

STATEMENT OF CHARLES HUGHES, CHAIRPERSON, AFSCME SCHOOL EMPLOYEES ADVISORY COMMITTEE, PRESIDENT LOCAL 372 NEW YORK CITY BOARD OF EDUCATION, DISTRICT COUNCIL 37, AFSCME

Mr. HUGHES. Good morning, Mr. Chairman, and members of the committee. While my text does not have the words that I am about to say in it, I want to say to you this morning, may God bless you and your committee for the way in which you have tried to protect those who are hungry in this country. It sort of reminds me of the man who stood at the Sea of Galilee and with five loaves and two little fishes, fed a multitude of people.

I would like to thank you for extending to me the opportunity to testify here today.

My name is Charles Hughes and I speak to you as the chairperson of the School Employees Advisory Committee of AFSCME, AFL-CIO, representing some 40,000 members, and as the president of Local 372, Board of Education Employees, District Council 37, New York City.

The members in my local work in the largest school lunch program in the Nation. On an average day, they serve 434,000 children, who receive free lunches; 36,000, reduced price; and 40,000, full pay students.

As we meet here in March 1983, at the midpoint of the current administration's term, we find ourselves somewhat more able to objectively assess the impact of its actions during the past 2 years. What we see is disturbing and alarming.

First of all, the new regulations implementing the score of reductions which AFSCME opposed vigorously at the outset have apparently failed in their desired objective. Let me describe for you the result of these regulations in New York City.

If we can believe that the primary objective was to have been the discovery and elimination of waste, fraud, and abuse, we find that has not occurred. In New York City, despite stringent review by local, State, and Federal monitoring teams, no massive cheating

has been uncovered, no moneys have been recouped, no meals disallowed because of fraud, incorrect meal patterns, et cetera.

The requirement that the social security number of all family members be listed has created additional paperwork, spawned untold anxiety and fear among those least able to understand the reasoning behind the regulation and produced few, if any, positive results.

To meet the new requirements, especially in relation to applications, took a massive outreach program which involved the collaboration of parents, teachers, administrators, the office of school food services, community agencies, the union, as well as the office of the mayor to make certain that thousands of eligible New York City children were able to receive their breakfast and lunch. For many children, these are the only meals they can depend on.

As we predicted, the raising of income eligibility limits has driven 3 million students from the school lunch program as parents and school districts found themselves unable to cope with the increased costs.

About 1,500 schools have been forced to drop out of the programs. I know that your committee is well aware of it, and it is concerned about these serious consequences.

Ironically, the depressed national economic situation has resulted in the creation of large numbers of newly poor and unemployed parents whose children are qualifying for free meals despite the more rigid eligibility requirements. We must do more to help these newly unemployed.

Furthermore, the denial of hardship deductions to the families of special education children has resulted in an additional financial burden for those parents who are already trapped in a morass of escalating housing, transportation, and medical costs.

This is a time when Federal legislation and the courts aim to maximize opportunities for emotionally and physically handicapped students.

Surely the opportunity to eat must be considered among any child's basic rights.

So where are we now?

As if not enough damage to the child nutrition program has yet been done, the administration's fiscal year 1984 proposals continue the attack.

First, the administration proposes to eliminate separate Federal funding for the child care food program, the school breakfast program and the summer food program and merge them into a general nutrition assistance block grant. Under this proposal, there would be nearly a 30-percent reduction in funding for these programs, including termination of funding for meals in day care homes.

At the same time, it must be noted that overall aid to education is being cut so that cities, States and municipalities that have heretofore managed to contribute local funds to these programs will find it very difficult to do so in the future.

Next, with an evenhanded "killer's instinct," the administration proposed to require families or schools to absorb any increases in the annual rate of inflation while at the same time imposing a 6-month freeze on the reimbursement for school lunch and special

milk programs. These proposals would have a disastrous impact on a city like New York where 85 percent of the children participating in the school lunch program are receiving free lunches because of their families' impoverished circumstances.

Moreover, the inevitable payment rate increase they would produce will drive more reduced price and full price students out of the program.

If parents and children are not sufficiently discouraged by now, the administration proposes to mandate that families who wish to apply for free or reduced price meals do so through their local welfare office, thus allegedly saving $40 million in administrative costs.

It is obvious to us that the real goal here is to dehumanize and degrade the families involved, so that many parents will fail to apply, thus decreasing participation still further.

Finally, may I state that in New York City and across the Nation, we have sincerely tried to tighten our belts, put our nose to the grindstone and our shoulder to the wheel. Our work force, many of whom are women, while aging in the normal way, has been forced to absorb an ever-increasing workload with little relief in sight.

We have marshaled all our forces to cope with an ever-increasing workload offering even more diversified menus, choices, et cetera. We have, despite serious objections, implemented offer versus serve in an attempt to cut waste still further.

Our local has lost more that 10 percent of our membership to attrition and there have been no replacements. Many of our workers give 10, 20, 30 years of sevice and retire with little to look forward to because they are considered part-time workers, since they work 10 months a year rather than 12.

Even now, we are struggling to develop additional means of increasing productivity.

We do this because we are concerned, because we care, because the children in the school lunch, breakfast and summer food programs are our children.

I ask, therefore, that you reject these latest proposals. I would also ask that you give serious consideration to the positive proposals advocated earlier this morning by the American School Food Service Association.

We would also like to voice our support for your bill, H.R. 7, which will make permanent the five expiring child nutrition programs.

May God bless you, thank you so very much, and our resource person, Patricia Caldwell, is here to help me.

Chairman PERKINS. Thank you very much, Mr. Hughes.

Our next witness is Manya Ungar. Go ahead.

STATEMENT OF MANYA UNGAR, LEGISLATIVE VICE PRESIDENT, NATIONAL PTA

Ms. UNGAR. Good morning, Mr. Chairman, and members of the committee. My name is Manya Ungar, I am the elected vice president representing National PTA's 5.5 million members.

I would like to thank you for the opportunity to testify this morning on the proposed fiscal year 1984 budget concerning child nutrition.

National PTA has a history, as you know, of seeking adequte helpful nutritious programs for children. We viewed the 1981 cuts in child nutrition with alarm and foreboding that has unhappily proven true in that the decline in participation in school lunch has not been commensurate with the decline in enrollment.

We appreciate this committee's concern and your efforts in the area of child nutrition, Mr. Chairman. If we had our way, we would be seeking restoration of eligibility standards for free and reduced-price lunches to the levels prior to the 1981 Budget Reconciliation Act.

We would also drop the price of reduced price meals for children of hard pressed and newly poor families. We would also increase the funding for the WIK program.

In 1969, National PTA passed a resolution that supported making lunches available at a minimum cost to all children, with special provisions for free and reduced price lunches for those who could not afford to pay.

Subsequently, we have expressed, and still support belief, in the importance of teaching good nutrition at home, at school and by example in the school meals program.

We have never considered the school lunch program a welfare program. It is an education and nutrition program that benefits and is important to all the Nation's children. The proposed cuts present an added problem in States which have State-mandated school lunches. Some, which are hard pressed financially, have now sought to back away from their commitment.

My own home State of New Jersey is just one example. In 1982, our State, which had been one of the first to mandate school lunch by State's fiat, attempted to introduce three bills in the legislature that would have stricken that State mandate for school lunches because we had a shortfall in out State budget.

For many, the increased price has meant giving up hot, nutritious lunches. To have hungry children is not conscionable in a rich and educated Nation such as ours.

Changes in eligibility standards for reduced price caused a decrease in the number of reduced and free meals served, as the previous speakers have testified. But that does not indicate that there was any decline in actual need.

Variations occur, even in a State like my own, where the State, within the Federal law, sets a maximum for meal charges. For example, on average, when the reduced price jumped from 20 to 40 cents, a typical suburban community in my area jumped only 100 percent in cost, but the typical urban district, in this case, the city of Newark, went from 10 cents to 25 cents, or a 150-percent increase for those children.

Where there are budget caps in States, those caps propose serious problems that lead to more potential for dropout in participation. Districts are having to absorb inflation costs such as energy and labor, and schools which drop the Federal program now charge full-price paying students more to support the neediest, thereby placing an unequal burden on the few families in those districts,

rather than making the responsibility that of the general public, and not the few who eat in schools.

As full-price students leave the program, the ability of the program to survive is strained.

National PTA has trouble with other of the administration proposals this year, particularly that which would require parents to go to the welfare office to apply for a free and reduced-price lunch.

We question whether this proposal will be more efficient. Schools are still going to have to be part of the process in some way, and in order to separate youngsters by categories, the potential for stigmatization of children increases. We object to moving the site off campus for processing applications.

Most schools have tried very hard over the years to limit overt identification of children who require special assistance. Since not every family eligible for free and reduced-price meals gets AFDC or food stamps or other forms of public assistance, we consider that this proposal may well prove a disincentive to participate and result in eligible youngsters going hungry because of parental price.

We do not know what the point is in transferring the site, and how going to a welfare office is going to be an improvement on the current method. We question whether there is already sufficient staff or expertise at food stamp and welfare offices to begin to process 12 million lunch applications.

Eligibility for school lunch differs from that of public assistance programs. Will that staff be trained to differentiate in those criteria, or will new staff have to be hired? And will changing the site result in more or fewer errors in processing applications?

Additionally, now that the Federal courts in California have approved the Department of Agriculture requirement that food stamp applicants provide social security numbers, we also are concerned lest this information will somehow be made part of that school lunch processing and if so, will alien children be unduly hurt?

The idea of tying school lunch to welfare, we find onerous. Furthermore, it may jeopardize a valid nutritional program which has unfortunately and already and unfairly been characterized as a major cause of a Federal deficit.

Coupling these two programs in this manner may erode additional popular support for a necessary child nutrition program. Placing control of school lunch, free and reduced, in welfare or food stamp offices may also lend impetus to the moves to count the value of school lunches against food stamp allotments.

National PTA also has questioned the increase in the line item for State administrative expenses for fiscal year 1984. We wonder whether it includes funds for administering the free and reduced-price applications through the welfare offices, and if so, we believe that it would better serve children and the State to continue processing applications at the school and apply the increase shown in this category to free children instead of a new bureaucracy.

In regard to the general nutrition grants, I would state merely that National PTA, by action of its 100-member board of directors, which represents every State, the District of Columbia, and the parents of children in Department of Defense overseas schools, as recently as 2 weeks ago, when we met here in Washington for our

National Annual Legislative Conference, endorsed continuation of the school breakfast, summer food, and child care food programs. The resolutions dealing with that are attached to my testimony for your perusal.

To us, it is illogical to assume, for instance, that youngsters who meet eligibility criteria for school lunch during the school year will somehow be less hungry when school is closed for vacation. We therefore wish to add our name to the list of organizations that oppose these recommendations, which we believe would lead to the elimination eventually of the programs.

We also want to encourage funding of WIC programs, at least at current levels, if it is not possible to do with increased money for all the women and children eligible to receive the benefit under the law.

We respectfully wish to express our disagreement with the statement of Mr. David Stockman in his Senate Budget Committee testimony, in which he characterized the changes in child nutrition programs as being merely technical. The committee knows far better than we laymen that proposals such as delaying the adjustment for inflation and reimbursement rates are going to leave schools with close to 3 cents less for each free and reduced price meal, and 0.3 of a cent less for the paid.

USDA itself estimates that this will translate into a participation drop of another 100,000 youngsters in the paid category and 300,000 more in the free.

Although it does not indicate in USDA figures what reduction it foresees in the reduced-price students, we believe that this group will prove to have perhaps the severest participation drop of all. We base this assumption on the fact that since September 1979, the price of reduced-price meals has quadrupled. In fact, it represents a 400-percent increase from the 10 to the 40 cents.

Since the changes in eligibility, many families that were formerly eligible now have to pay full price, which is a jump from 20 cents per meal to anywhere from 60 cents to $1.20, depending upon the area in which they reside. That is a far greater cost than a 400-percent increase.

Many have simply chosen to drop out of the program, and what and how much their children are now eating is anyone's guess. It is interesting that during the same period when reduced-price lunches rose from 20 to 40 cents, the paying lunches went up on average 17 cents, or 3 cents less for those who could already afford to pay, than for those who were struggling to do so.

We cannot help but wonder and worry if it is the intent of the administration eventually to have only two categories for school lunch, one only for the poorest and the other only those who can afford to pay fully.

It has been difficult to analyze some of the other administration proposals, Mr. Chairman, such as indexing the price of a reduced-price meal to inflation. We wonder if the intent is to raise the allowable maximum price for reduced-price meals beyond 40 cents. If so, once again, that particular middle group seems to be taking it in the neck, or in this instance, the stomach.

Does this mean there will no longer be an adjustment in the reimbursement rate and instead, the intent is for an adjustment

upward in lunch prices? If so, once again, the families in the reduced-price category are going to suffer.

We are concerned as to how making the readjustment in January is going to affect school budgeting, since the readjustment will come midway through a school year.

Finally, by virtue of our past resolutions, which, like our legislative directives and programs form the basis of all our policies, wishes to stress our strong opposition to the proposal to terminate nutrition, education, and training programs.

We believe the program is proving itself to be a good beginning to improve both children's and parents' awareness of their own responsibility and need for good nutrition. To remove the one component of nutrition programs that encourages education about nutrition seems to us extremely shortsighted.

Fifty cents per year, as originally envisaged per student, is not an outlandish, nor an unaffordable amount, for an effect which would pay off a thousandfold in the future health of the country. The argument that whatever the strides, the goals have already been met, is unproven.

We believe that termination of nutrition education and training programs would be a waste of past efforts and money and would make the PTA's long-held goal of comprehensive health education, including nutrition education, harder to obtain in every district in the country.

Termination would signal a retreat of the Federal Government from encouraging and assisting in the development of a comprehensive nutrition policy that benefits not only today's children, but a healthier country tomorrow.

Once more, I would like to express our organization's appreciation to this committee for having afforded us the opportunity to make our views known, and evermore, to express the gratitude of our members for the continued commitment of this committee to the good health of children as evidenced by your recommendations to the Budget Committee.

Would that, instead of cutting child nutrition programs, there could be increased funds to restore, as I said at the outset, pre-1981 Reconciliation Act eligibility standards, drop the price of reduced meals, and increase WIC funding. To us, as it was to those who wisely initiated the Federal programs, child nutrition and school lunch are a national necessity, and they are also a national investment.

Hunger and poor nutrition habits know no boundaries, even though the capacity and the commitment to alleviate that hunger and teach those nutritional basics varies from locale to locale between and within the States. In a Nation that is blessed with an abundance of good food and good spirit, no child should be malnourished in mind or in body. We simply cannot afford to have any of our country's children go hungry.

Thank you, Mr. Chairman.

[The prepared statement of Manya Ungar follows:]

PREPARED STATEMENT OF MANYA S. UNGAR, VICE PRESIDENT, LEGISLATIVE ACTIVITIES, NATIONAL PTA

Thank you for the opportunity to testify on the proposed fiscal year 1984 Budget concerning child nutrition. The National PTA has a history of seeking adequate healthful nutritious programs for children. We viewed the 1981 cuts in child nutrition with alarm and foreboding that has unhappily proved true (in that the decline in participation in school lunch has not been commensurate with decline in enrollment). We appreciate the Committee's concern and effort in the area of Child Nutrition. If we had our way, we would seek restoration of eligibility standards for free and reduced price lunches to the levels prior to the 1981 Budget Reconciliation Act. We would also drop the price of a reduced price meals for children of hardpressed families. We would also increase the funding for the WIC program.

In 1969, PTA passed a resolution that supported making lunches available at a minimum cost to all children with special provisions for free and reduced price lunches for those who cannot afford to pay. Subsequently we expressed and still support belief in the importance of teaching good nutrition at home, at school, and by example in the school meals programs.

The proposed cuts present an added problem in states which have had state mandated school lunches. Some, hardpressed financially, have sought to back away from that commitment. My own state of New Jersey is one such example. In 1982, three bills were introduced in the legislature that would have stricken the state mandate for school lunches.

For many, increased price has meant giving up hot, nutritious lunches. To have hungry children is not conscionable in a rich and educated nation. Changes on eligibility standards for reduced price caused a decrease in number of reduced and free meals served. But that does not indicate there was a decline in need. Variations occur, even in a state like New Jersey, where the state (within federal law) sets maximum for meal charges. For example, on average, when the reduced price went from 20 cents to 40 cents a typical suburban community jumped 100 percent but the typical urban district (in this case Newark) went from 10 cents to 25 cents or 150 percent increase.

Where there are budget caps in states, the budget cuts propose serious problems leading to more potential for drop out in participation. Districts have to absorb inflation costs-such as energy and labor. Schools which dropped federal programs now charge full-price paying students more to support the neediest, thereby placing an unequal burden on a few families in those districts rather than making the responsibility that of the general public (not the few who eat in schools). And as full price students leave the program the ability to provide for the remainder is strained.

National PTA has trouble with other of the Administration proposals, particularly that requiring parents to go to the welfare office to apply for free and reduced price lunches. We question whether this proposal will be more efficient—schools will still have to be part of the process and in order to separate youngsters by categories the potential for stigmatization of children increases. We object to moving the site off campus for processing the applications. Most schools have tried very hard to limit overt indentification of children who need assistance.

Since not every family that is eligible for free and reduced price meals gets AFDC, Food Stamps, or other forms of public assistance, this proposal may well prove a disincentive to participate—resulting in eligible youngsters going hungry because of parental pride. We don't know what the point in transferring the site is and how going to a welfare office will improve the current method. Is there already sufficient staff and expertise at food stamp and welfare offices to process lunch applications? Twelve million applications for school lunch are processed annually. Eligibility for school lunch differs from that for public assistance programs. Will staff be trained to differentiate those criteria, will new staff have to be hired? Will changing the site result in more or fewer errors in processing the applications?

Additionally, now that the federal court in California has approved the Department of Agriculture requirements that food stamps applicants provide their social security numbers, we also are concerned lest this information will be made a part of the school lunch processing. If so, will alien children be unduly hurt?

The idea of tying school lunch to welfare we find onerous. Furthermore, it may jeopardize a valid nutritional program which has unfortunately and unfairly been characterized as a major cause of our federal deficit. Coupling the two programs in this manner may erode popular support for a necessary child nutrition program. Placing control of school lunch (free and reduced) in welfare offices might also lend impetus to the moves to count the value of school lunches against food stamp allotment.

National PTA also has questioned the increase in the line item for State Administrative Expenses for fiscal year 1984. We wonder if it includes funds for administering the free and reduced price lunch applications through the welfare office? And if so, we believe it would better serve children and the state to continue processing applications at the school and apply the increase shown in this category to feed children instead of a bureaucracy.

In regards to the General Nutrition Assistance Grants, I would state merely that National PTA, by action of its 100 member Board of Directors (representing every state, the District of Columbia and parents of children in the Department of Defense Overseas Schools) as recently as two weeks ago endorsed continuation of school breakfast, summer food and child care food programs. To us it is illogical to assume, for instance, that youngsters who meet eligibility criteria for school lunches during the school year would somehow be less hungry when school is closed for vacation. We therefore wish to add our name to the list of organizations that oppose recommendations which could lead to elimination of these programs. We also want to encourage funding of WIC programs at least at current levels if it is not possible to do so for all the women and children eligible to receive the benefit under the law.

We respectfully wish to exprss disagreement with the statement of Mr. Stockman in his Senate Budget Committee testimony on fiscal year 1984 in which he characterized the changes in Child Nutrition Programs as being only technical. The committee knows better than we laymen that proposals such delaying the adjustment for inflation in reimbursement rates will leave schools with close to .3 cents less for each free and reduced price meal and .3 cents less for paid meals. USDA itself estimates this will translate into a participation drop of 100,000 for youngsters in the paying category and 300,000 in the free. Although USDA doesn't indicate what reduction it foresees in reduced price students we believe this group will prove to have the severest participation drop. We base this assumption on the fact that since September 1979 the price of the reduced price meal has quadrupled—in fact, it represents a 400 percent increase from 10 cents to 40 cents.

Since the changes in eligibility many families formerly eligible now must pay full price, a jump from 20 cents per meal to anywhere from 60 cents to $1.20, which is far greater than a 400-percent increase. Many simply dropped out of the program, what and how much their children are now eating is anyone's guess. It is interesting that during the same period when reduced price lunches rose from 20 cents to 40 cents, paying lunches went up an average 17 cents, or 3 cents less for those who could already afford to pay than for those who were struggling to pay. We cannot help but wonder (and worry) if it is the intent of the government eventually to have two categories of school lunch—one only for the poorest and the other for paying students.

It has been difficult to analyze some of the other administration proposals such as indexing the price of a reduced price meal to inflation. Is the intent to raise the allowable maximum price for reduced price meals beyond 40 cents? If so, once again that middle group seems to be taking it in the neck—or the stomach. Does this mean there will no longer be an adjustment in the reimbursement rate and instead there will be an adjustment upward in the lunch price? If so, once again the families in the reduced price category will suffer. We are concerned, too, as to how making the readjustment in January will affect school budgeting since the readjustment would come mid-way through the school year.

Finally, National PTA by virtue of its past resolutions, which like our legislative directives and legislative program, form the basis of our policies, wishes to stress our strong opposition to the proposal to eliminate Nutrition, Education and Training Programs. We believe this program is proving itself to be a good beginning to improve both children's and parent's awareness of their responsibility and need for good nutrition. To remove the one component of nutrition programs that encourages education about nutrition seems shortsighted. Fifty cents per year per student is not an outlandish or unaffordable amount for an effect which could pay off a thousand fold in the future. The argument, whatever the strides, that the goals have already been met is unproven. We believe termination of Nutrition, Education and Training Programs would be a waste of past efforts and monies and make the PTA's long-held goal of comprehensive health education, including nutrition, harder to obtain. Termination signals a retreat of the federal government from encouraging and assisting in development of a comprehensive nutrition policy that benefits not only today's children, but a healthier nation tomorrow.

Once more, we wish to express our appreciation to the Committee for having given us this opportunity to make our views known. Even more, we wish to express the gratitude of the six million members we represent for the continued commitment of this Committee to the good health of children as evidenced by your recom-

mendations to the Budget Committee. Would that instead of cutting Child Nutrition Programs there could be funds, as we stated at the outset, to restore the pre-1981 Reconciliation Act eligibility standards, to drop the price of reduced meals and to increase WIC funding.

To us as it was to those who wisely initiated the federal programs, Child Nutrition and School Lunch Programs are a national necessity and a national investment. Hunger and poor nutrition habits know no boundaries even though the capacity and commitment to alleviate that hunger and teach those nutritional basics varies from locale to locale between and within states.

In a nation blessed with abundance of good food and good spirit, no child should be malnourished—in mind or body. We cannot afford to have any of our country's children go hungry.

The Board of Directors of the National PTA adopted the following Position statement on February 20, 1983.

"In its Legislative Program, National PTA supports Federal legislation to assist states in providing necessary public health and welfare services to children, youth and families".

Programs such as the special supplemental food programs for women, infant and children (WIC), which provide eligible recipients with food containing protein, iron, calcium and vitamin A and C, have been proven to have a positive effect on reducing infant mortality, chronic ill health, birth defects and abnormal development. The incidence of low birth weight infants born to women served by the WIC program is significantly less than those born to non WIC participants. Because low birth weight infants require longer postnatal hospitalization than do normal weight infants, the decrease in the incidence of low birth weight was associated with medcal costs.

Experts in the health field have testified that one dollar spent on the WIC program or prenetal care saves three dollars in hospital costs.

Therefore because WIC averts major medical expenditures and reduces outlays in programs such as medical, supplemental security income for disabled and special education, it is extremely important when savings are sought in Federal expenditures that WIC be exempted from cost cutting since it is not only humane, but proven to be cost effective.

LEGISLATIVE DIRECTIVE 83-1 ADOPTED FEBRUARY 20, 1983

That the National PTA urge Congress and the Administration to support and fund adequately programs under the child nutrition and lunch programs.

SUMMARY OF TESTIMONY OF MANYA UNGAR, VICE PRESIDENT FOR LEGISLATIVE ACTIVITIES

1. Committee should seek to restore eligibility levels for free-and reduced price meals to their pre-1981 Reconciliation level.

2. Committee should seek to lower the price of a reduced price meal.

3. Committee should seek incresed funding for WIC.

Budget cuts propose an additional problem for states with a state mandated school lunch program. Some, such as New Jersey, have sought repeal of the mandate.

States with budget caps also have serious problems. Do you continue to raise the price of the paying meal to try and absorb inflation costs and energy costs?

Will sending families of free-and reduced price children to welfare office be more efficient? What about overt identification? Won't shools have to process application anyway? What about the disincentive to participate in this program by people who do not receive AFDC, Food Stamps, or other forms of public assistance? Is there sufficient staff in welfare office to process 12 million applications? Will new staff be hired? Will it be adequately trained to deal with a new program? Won't the chance for error increase?

Will use of social security numbers negatively affect alien children?

Sending families to the welfare office will erode public support and lend impetus to the move to count school lunch value against food stamp allotment.

Is the increase in State Administrative Expenses for administering the applications through the welfare office? Wouldn't it be better to feed children rather than the bureaucracy.

We oppose General Nutrition Assistance Grant. Our board passed a resolution two weeks ago supporting the continuation of School Breakfast, Summer Food, and the Child Care Food Program.

We disagree with David Stockman's contention that these cuts are merely technical. Delay in inflation adjustment will mean 3 cents less per free and reduced price meal, and, 3 cents less for paid meal. USDA estimates 100,000 children less participating in free category and 300,000 less participating in paid category.

Reduced students are getting hurt the worse. The price of a reduced meal has quadrupled from 10 cents in fall 1979 to 40 cents currently. At the same time, those families that were bumped up to the paid category by the change in eligiblity guidelines are now paying anywhere between 60 cents and $1.20—a 600 percent to 1,200 percent increase in price since fall 1979.

With indexing reduced price, will current cap of 40 cents be lifted? How will the January adjustment affect school budgets that have been in place since August or September?

We oppose termination of Nutrition, Education and Training. We see eliminate of NET as a signal that the federal government is retreating from encouraging and assisting in development of a comprehensive nutrition policy that benefits not only today's children, but a healthier nation tomorrow.

Chairman PERKINS. Thank you for an excellent statement.

Our next witness is Anita Ellis. Go right ahead, Ms. Ellis.

Identify yourself for the record.

STATEMENT OF ANITA ELLIS, NUTRITION EDUCATION COORDINATOR, WEST VIRGINIA DEPARTMENT OF EDUCATION, REPRESENTATIVE OF SOCIETY FOR NUTRITION EDUCATION

Ms. ELLIS. Mr. Chairman and subcommittee members, I am Anita Ellis, assistant director of child nutrition in West Virginia, and director of the NET program there. As a member of the Society for Nutrition Education and its Public Policy Advisory Council, I am speaking for the society membership that established a long time ago, the continuation of the NET program as one of its highest priorities.

I am also a member of two other professional associations that actively support the continuation of the NET program, the American School Food Service Association, and the American Home Economics Association.

I appreciate the opportunity to appear before your committee to testify on behalf of SNE, and the many individuals participating and benefiting from the West Virginia NET program.

On behalf of all the people I represent, I want to express appreciation to you and this committee for the leadership and support you have given to food and nutrition programs over the years. Today, I would like to share some of the values and successes of the NET program and the need for continued Federal participation in nutrition education in this country.

As you know, although the NET program came into existence in 1977, as an amendment to the Child Nutrition Act of 1966, it was not until 1979 that the program really got underway in most States. Yet, in the short time since its inception, the NET program has made great strides toward achieving program goals established in the law.

Throughout the Nation, NET programs are teaching children sound principles about nutrition, instructing teachers, training food service personnel in efficient management and quality food preparation, and developing and delivering curriculum and nutrition education materials.

From its onset, the NET program has met with success. An independent program evaluation funded by USDA and conducted by Abt Associates, Inc., found that even in the initial years, NET programs were functioning well and that program activities were having a positive impact on nutrition knowledge and food preferences of children.

Data gathered from NET coordinators indicated that 86 percent of the funds went directly toward achieving the four established goals.

The GAO report entitled, "What Can Be Done To Improve Nutrition Education Efforts in the Schools?," compiled in May 1982, by the General Accounting Office for the administration, likewise supported the importance and cost-effectiveness of nutrition education in general and the NET program in particular. The NET program was cited as an effective way to implement a much-needed educational program.

Information gathered from State NET coordinators nationwide and compiled by SNE in the summer of 1983, clearly indicates the positive impact of the NET program. Among the success stories being recorded are:

A decrease in plate waste. For instance, in Arkansas, they found a 45-percent decrease in plate waste after a nutrition education program.

There has been a change in nutrition practices among students, teachers, and school food service personnel. For instance, California found that food choices among students improved 21 percent.

Oregon noted reductions in fat and sugar content of school meals. Arizona reported an increase in the willingness of NET children to try new foods.

There has also been an increase in nutrition knowledge among student, teachers, and food service personnel. In Tennessee, teachers, school food service personnel, and students had a higher significant mean gain in nutrition knowledge.

A change in attitudes toward nutrition among students, teachers, and food service personnel has been noted.

California reported student attitudes about nutrition improved by 5 percent and Washington State reported improved communication among school food service personnel, principals, teachers, and students.

There has been an increase in parent involvement in nutrition education activities noted in Florida. And there has also been an increase in school lunch participation. For instance, in the State of Ohio, they found that school lunch participation was 7 to 8 percent higher in the schools that had programs in NET as compared to those that did not.

SNE also found that as required by law, all States have designed programs to carry out their needs assessment and provide programs for the groups targeted by law.

Consequently, a wide variety of nutrition education projects have been inititated, such as training seminars, workshops, and conferences, providing teachers and food service personnel in schools and day care centers with nutrition education information.

College-level nutrition courses for teachers and food service personnel, mass media nutrition education programs for students, teachers, food service personnel in the general nutrition education.

Education resource centers, curriculum which integrates nutrition education in all subject areas. Development and dissemination of nutrition education materials that have practical application in the classroom.

In West Virginia, in particular, we conducted an evaluation of the effectiveness of nutrition education in grades K-6 and found significant gains in knowledge, significant improved attitudes, and decreased plate waste.

We particularly have concentrated on in-service workshops for teachers in order to reach our primary target group of children. With a cadre of trained teachers, we are reaching elementary and secondary teachers throughout the State. Comments from teachers and principals emphasize the value they find in the program.

One principal remarked that it was the best program he has seen in his 20 years of teaching. Teachers' comments that party refreshments planned by students are drastically different since teaching nutrition is convincing evidence that eating behavior has improved.

Although our primary target group is children, the West Virginia NET program has developed an extensive training program for school food service personnel. Last summer, due to limited funding, we offered one class, but were deluged with such demands that we expanded it to three.

Pretest and posttest scores showed a significant increase in knowledge by food service personnel. Observations of programs operated by trained personnel indicate a more professional attitude, more pride in their job, and improved food quality in meals.

Although program statistics are important, I would like to take the liberty of expressing my personal conviction of the dire need for nutrition education in our society today. As a former schoolteacher, I observed poor eating habits among my students and was gravely concerned about their future health.

Recently, my suspicions were confirmed. A personal friend, who has for several years supported a young woman from an indigent background, asked if I would talk with this young girl about her eating habits. This young mother of two, whom I shall call Sara, was quite ill during November, at which time she accumulated medical bills in excess of $6,000, which she cannot pay. Her doctor's advice was to improve her diet.

A review of her food intake for 1 week was quite a shock. Most days, her caloric intake was less than half the amount she needed and the intake of specific nutrients was less that one-fifth of recommended requirements. She did not know what foods she should have nor how to plan balanced meals.

Sara is a product of our school system before the NET program. The educational system failed to provide her with the necessary knowledge of the importance of proper diet. Now she and society are paying the consequences; and, unless she changes, she is leaving an indelible impression on her two children.

During our discussion about what Sara needed to do to improve her diet, it was fascinating that her sponsor, an astute, well-read college graduate, was intrigued with the information being shared

with Sara. This self-directed individual certainly has the motivation and ability to become a self-taught student in nutrition. The problem is that much of the popular literature that she might read is filled with nutrition misinformation.

It is unquestionable that a solidly based educational program in nutrition is the strongest weapon we can offer our future citizens to help them identify factual nutrition information. The NET program has this potential.

As a member of the Task Force on Hunger for the West Virginia United Methodist Conference, I have been further impressed with the need for nutrition education. The number of requests for financial assistance this year doubled, and the amount requested was twice the amount of our anticipated budget.

As we made the painful decision of how to distribute the limited funds, I kept wondering, who is teaching the operators of all the new food banks and those who use their services how to choose the most nutritious foods for better health?

As you can see, the need for nutrition education is there; and the NET program has only begun to meet that need. In a relatively short period of time, NET has been involved in a wide range of activities and met with a variety of successes, all for a very small expenditure of money.

Additionally, State education systems are beginning to realize the importance of nutrition education—a sharp contrast to the situation encountered in most States prior to the establishment of the NET Program. Although curriculum is a State responsibility, nutrition education has been a low-priority program being preempted by the traditional three R's, science, and math.

While there is no question about the importance of these subjects, it is my contention that until a child is well nourished, effective progress in other subject areas is limited.

Unfortunately, the progress made thus far is threatened by the proposed elimination of the NET program. The numerous fiscal constraints faced by the States today makes it impossible for them to take on full responsibility for nutrition education. It should be noted, however, that Federal funds provide a stimulus for a State commitment to nutrition education.

Thus, the small Federal expenditure for NET in turn generates as much or more local support. Such a situation is best expressed by Senator Eagleton when he said,

> I think nutrition education is a vital part of the whole educational process itself. We all know it is by our formative years in the context of the school that we develop our habits, both intellectually and attitudinally, and certainly nutritionally; and thus I think nutrition education, not only for young, but for career professionals in the field, is vital to a healthier America.
>
> Now you can make some very good short-term savings of dollars and pay some horrendous long-term penalties and costs. You can save a few bucks here and now and have a public that needs greater medical attention and greater hospital care and ultimately greater nursing home care by reason of improvident nutritional habits that they gained as they were growing up. So it is terribly penny-wise and pound-foolish.

I am asking that you and the members of this committee support reinstatement of the NET program into the fiscal year 1984 budget. We look forward to the day the program is fully funded at the

original level of 50 cents per child instead of the current 10 cents, but are asking for a minimum of $10 million for now.

I would also urge you to provide for the permanent authorization of the program for the purpose of facilitating the development of long-range plans.

The NET program has many of the characteristics the administration advocates. It is cost effective, it is based on the needs of each State, and it meets a critical need in various groups interested in nutrition education.

We believe that elimination of this program, which has clearly proven its success, would be a mistake and ask that you continue your support for this small, but far-reaching program.

Thank you again for your time and patience.

Chairman. PERKINS. Ms. Ellis, I am sure we all believe in eliminating as much paperwork and redtape as possible, but how do you feel about this idea of the welfare offices checking on the youngsters that are eligible for school lunch? For instance, be eligible for the free and reduced-price lunches?

Is that going to create tremendous amount of paperwork and drive a lot of youngsters away from the school lunchroom that should be receiving that free or reduced-price lunches, in your judgment?

Ms. ELLIS. In my judgment, it would, Mr. Chairman. I think that that task is already being done very efficiently by the school system, and it is a system that works smoothly. I think it will create an additional burden for school principals to have to go to the welfare office to discover which of their students—I think the principal of a school knows the students and the children in his community better than the welfare office.

Chairman. PERKINS. Ms. Ungar, the administration is proposing a 6-month delay in the cost-of-living adjustments in the school lunch reimbursements. Is it not true that this proposal will have the greatest impact on the poorest school districts? What is your view of that? What does the PTA think about that?

Ms. UNGAR. Yes; we would concur that it undoubtedly will. It is an extremely disruptive thing. It will be administratively difficult. In addition to that, the delay and attempting to index, as has been indicated, the school system, I do not think, will ever have an opportunity to catch up because of the fact that they will always be judged at an inflation rate that is 9 months or more old.

So we can see it as only being a critical problem for all districts and particularly the urban.

Chairman. PERKINS. Ms. Higgins, the new poorer families in the reduced-price category have been especially hard hit by the recent budget cuts. Reduced-price lunch prices rose from 10 cents in September 1980 to 40 cents in September 1981. Reduced-price breakfast prices climbed in a year from 5 cents to nearly 30 cents.

As a consequence, reduced-price lunch participation fell 16.6 percent and reduced-price breakfast participation fell 34.4 percent. Now the administration is proposing to further increase the price of the reduced-price lunches.

How will this proposal affect participation in your judgment?

Ms. HIGGINS. Mr. Chairman, I think it will drive additional families with children who are eligible for reduced-price meals away

from the program, such as we saw the decrease in this past year, we will see greater decreases in the future if this is passed, because the minimum charged now is 40 cents, if it goes up 2 cents, then most districts are going to have to charge 45 cents for reduced-price lunches to round it off.

This is going to be a problem for these families that fall into that category.

Chairman PERKINS. How has the availability of bonus commodities helped offset the severity of the 1982 budget cuts in the school lunch program?

Ms. HIGGINS. Mr. Chairman, they have been beautiful, to be honest with you. The cheese products are of top quality, we have been able to give students a higher percentage of protein in working the cheese products, dairy products, into our meals. The canned fruits and vegetables that we have received this past year have given more variety to our meal pattern. All the commodities have been excellent. We have been able to keep our purchase food costs lower due to the amount of commodities that we have received.

Chairman PERKINS. Now, let me ask the gentleman a question, Mr. Hughes. Requiring the free and reduced-price meal applications be verified in welfare offices, I want you to consider how that, in your judgment, will affect participation in the school lunchroom and a 6-month delay in the cost-of-living adjustment for reimbursement payments, and I want you to comment on that, and indexing reduced-price lunches to make the price go up every year, and then consolidating the school breakfast, child care and summer programs into the general nutrition assistance block grant with a 28-percent cut in funds.

What do you think about, Mr. Hughes, all of these proposals of the administration? How will they affect the program?

Mr. HUGHES. I think it will create chaos, Mr. Chairman. As we have experienced in New York in terms of the outreach program, and as I have outlined in my testimony, the various agencies that were used to touch base with the student population and the parents, have proven that if any of these entities that have enumerated by yourself are implemented, we will find that the school lunch program will go out of business.

In terms of parents having to touch base with the welfare agencies, we have found through experience that that sort of dehumanizes people. It means that they are going to be reluctant to go.

Some people will participate in school lunch programs while they will not have anything to do with the welfare agencies at all. In terms of the 6-month or 9-month delay, as far as that is concerned, we think that we are having enough problems already. We think that the program has been cut enough. I think that is another attempt not to be bold about what they want to do, but go under the table and again cut that program.

As far as consolidation of the summer feeding breakfast into a block grant, we have always disagreed with the block grant concept. We feel that the school lunch program, the summer program and the breakfast program are a national Government obligation and responsibility, that there should be a standard that the children of the United States of American should look to and those of

us who serve the children, those of us who are responsible for those children, should certainly have that standard to look forward to.

Therefore, we are ultimately opposed to all of the suggestions that have been proposed by the current administration.

Chairman PERKINS. Mr. Goodling.

Mr. GOODLING. Thank you, Mr. Chairman.

I am sorry that I was late, but we have so many things going on, as I'm sure you noticed as you tried to get through the halls out there. A lot of people are visiting our offices at the present time to discuss a lot of different subjects.

I would just like to say that in reading one of the sentences in the views that the minority has provided in relationship to school lunch and child nutrition programs, we say that in view of the major reductions in Federal assistance to these programs that were made under the terms of the Omnibus Budget Reconciliation Act of 1981, we do not believe that new major policy changes or funding cuts are appropriate.

That is our bottom line, and in our budget, of course, we have indicated a slight increase in all of those programs. So I would not get too excited about what you hear from any other side since, as I have said many times, it is the Congress that has to make all the decisions, has to do all the appropriating and so I would think that since they agree on that side, that there should be an increase, we agree on this side there should be an increase, rather than changes. I would think, from the House of Representatives, there would be an increase if we have enough influence with the Appropriations Committee, and the Budget Committee, which I think the chairman does, so we will put it all on his shoulders.

Chairman PERKINS. Mr. Packard.

Mr. PACKARD. Thank you, Mr. Chairman, I am sorry I had to leave. I was fortunate enough to have another committee meeting right next door and could come back when we finished that. I do not know how we get done with that committee quicker than we do this one, but nevertheless, they did get through their budget considerations this morning.

Just to follow up on Mr. Goodling's comment, and I really do not have any questions, just a comment, I think most everyone recognizes that this is not the year for major increases in programs. Obviously the administration is not proposing an increase. However, I think we do see a proposal that maintains the status quo. With the fact that inflation is now down considerably lower than what it was 1 year or 2 years ago, the impacts of inflation on the purchasing power of our school districts is certainly much less than it has been.

So keeping level funding, I think, is probably much better than what we are seeing in other areas of our budget process this year.

I think there is a commitment in this committee on both sides to do all we can to keep educational services at a level equal to or above what we have experienced in the past year. I personally appreciate the testimony that has been given this morning and the concern that each of you have in the nutritional program in our schools.

Thank you, Mr. Chairman.

Mr. GOODLING [presiding]. I would just like to say that Mr. Packard is one of our new, bright lights—we have a couple on our side of the aisle that I think you will appreciate and enjoy, as I have thus far working with them on this committee.

I asked Mary Jane Fiske, and she said she did not see anything in any testimony about regulation changes. Did we forget about that? I thought it was a very important issue. Have we forgotten about that?

Yes, madam?

Ms. HIGGINS. No, sir; we did not feel that we should speak to it at this hearing this morning, but we are very concerned about the possibility of undermining the integrity of the programs through regulations. We do plan to stay very alert to that.

Mr. GOODLING. However, last year and the year before, our major concern was that if you people had an opportunity to do a little thinking for yourselves back in the district, you could make some savings and still provide good meals, even better meals. That was part of the thrust. That, in fact, you needed that kind of regulation change if you were to cope with the kind of cuts that you had received or reductions in growth that you had received at that particular time.

So that was the part I had noticed was missing. I thought maybe you had decided it is better if we do all the dictating from here and not allow you to make decisions.

You know, when we had all that nonsense on the front pages of magazines and newspapers, I mentioned how humorous it was because, of course, as someone said, I think, when they testified, that if you mix peanut butter and throw a lot of sugar in it and so on, you can count it. But if you serve raw peanuts, which would be a darn sight better than that sugared stuff that you mix together, you cannot count it. Those are the kinds of changes that I am talking about, the kind of opportunities for you people to make some decisions on the local level that would provide a wholesome meal and at the same time would not appear to be so ridiculous.

So the next time you come back, if you still have that on your mind, we ought to hear about it.

I do want to thank all of you for coming.

Thank you again for coming and giving us your time and your testimony. Staff will spend a lot of time telling us what it is we should glean from that testimony.

Ms. HIGGINS. Thank you.

Mr. HUGHES. Thank you.

Ms. UNGAR. Thank you.

Ms. ELLIS. Thank you.

[Whereupon, at 10:45 a.m., the subcommittee was adjourned, to reconvene subject to the call of the Chair.]

OVERSIGHT ON ADMINISTRATION'S BUDGET PROPOSALS FOR CHILD NUTRITION PROGRAM

WEDNESDAY, MARCH 9, 1983

HOUSE OF REPRESENTATIVES,
COMMITTEE ON EDUCATION AND LABOR,
SUBCOMMITTEE ON ELEMENTARY, SECONDARY,
AND VOCATIONAL EDUCATION,
Washington, D.C.

The subcommittee met, pursuant to call, at 9:30 a.m., in room 2175, Rayburn House Office Building, Hon. Carl D. Perkins (chairman of the subcommittee) presiding.

Members present: Representatives Perkins, Hawkins, Williams, Goodling, and Packard.

Chairman PERKINS. The committee will come to order. We have with us this morning Dr. Jean Mayer, president of Tufts University of Massachusetts, and we are very honored to have Dr. Mayer here today. For years Dr. Mayer has been a great authority in the field of nutrition. He was the leading force behind the 1969 Conference on Food and Nutrition and for the last decade he has helped set up the agenda for food and nutrition policy in the United States.

We are very grateful that Dr. Mayer is with us to comment on a very serious crisis that we as a nation are facing today. With as many as 20 million unemployed, hunger in America is reaching epidemic proportions. There are literally millions of men and women who cannot provide even the basic necessities for themselves and their families and the situation is worsening.

Tomorrow this committee will markup emergency legislation that requires the Secretary of Agriculture to release surplus commodities and distribute them to the needy. This legislation is not the total solution to the problem of hunger in our society and but it is an emergency measure to relieve some of the widespread suffering.

Dr. Mayer, we welcome you here today and we are all looking forward to your testimony. Without objection, your prepared statement will be inserted in the record and you may proceed in any manner you prefer. Go right ahead.

PREPARED STATEMENT OF DR. JEAN MAYER, PRESIDENT, TUFTS UNIVERSITY, MEDFORD, MASS.

Fifteen years ago I had the honor to be the first witness to apear before Congressional hearings to talk about the newly-identifies problem of hunger and malnutrition in the United States. There was a period of debate, differences of opinion, and then a national bipartisan concensus that hunger did indeed exist, serious and indisputable, and that something must be done. The symbolic high point of that national effort was the 1969 White House Conference on Food, Nutrition and Health, called

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by a Republican President, which I had the honor to be asked to organize and chair. In the next several years, I witnessed with enormous satisfaction the essential elimination of hunger and malnutrition in the richest country on earth, for the first time on earth, by programs put together by a bipartisan coalition in the Congress and put in place by two Republican administrations.

I must say that I had fervently hoped and expected that I would never be back again before a Congressional Committee to testify about a growing problem of hunger in America. It was inconceivable to me that a country as rich as ours and as compassionate as ours could ever move backward in an area of such basic human need. As an American, as a nutritionist, I am ashamed that this now appears to be the case.

At this point, all the reports of lines of people waiting for surplus cheese, all the new soup kitchens and the lines of hungry people waiting to be fed, all the more scientific and clear-cut data from pediatric hospitals in terms of food emergencies show that hunger has returned to America. The evidence is around us. Only the blind or stone-hearted could fail to see it.

I know that in the past decade the country has experienced increasingly difficult economic times and that it is vital that our economy be put on a sound footing for the future. But the real test of a nation's quality is not what it does for its hungry, its poor, its less fortunate citizens when the economy is expanding and all is well, but how it responds when things are going badly.

Above all, the central American theme, the cement that has kept our country from flying apart as a result of its diversity, has been its deeply-ingrained belief in fairness. If the nation is to make sacrifices to restore our economy, then the burden of those sacrifices should have been evenly spread across our population. Indeed, those who are better off should have been asked to do more, not less.

This nation is not like a lifeboat laboring in heavy seas where the only way to stay afloat is to throw overboard the weak who cannot row. It is a basically strong society where we are all obligated to pull together. Clearly in the last years the least fortunate among us have been pulling a heavier and heavier load.

Hunger in America is not, and never has been, a political or partisan issue. For example, last week I spoke with the Mayor of Cleveland, A Republican. At this point Cleveland has a 15 percent unemployment rate. Mayor Voinovich told me that every resource that can be diverted from other purposes is going into the effort simply to keep people from starving; that the idea that private organizationa and private citizens might rust in to take over those areas of food relief that the Federal government is abandoning is part of a dream world. In the real world, inhabited by Mayors of large cities, if the Federal government does not do it (and other levels of government do not have the resources, which they do not), people are going to starve.

I know that there is now great hope all across the country that our economy is taking a big turn for the better. But it would be a mistake to let today's problem of hunger slide in the belief that the rising tide will lift all boats. Mayor Voinovich added, and I agree, that we should not be lulled into thinking that even a very vigorous upturn will solve the problem. A very large proportion of those who need help cannot work, for one reason or another: the elderly, young women with small children, and the children themselves. In 1981, almost 43 percent of the participants in the Food Stamp program were children. We must face the crisis.

One of the most serious effects of the recession has been on the weakest and most vulnerable of all our citizens, innocent infants. One of the great signs that our fight against hunger was a success has been a steadily declining infant mortality rate across the country. The infant mortality rate is a good index of the overall health of a society. Sadly, it is rising once again in many areas. The United States; infant mortality rate is 11.8 per thousand. The rate in Alabama has risen from 1.9 to 14.8. The state of Michigan reports 13.2 deaths per thousand in 1981, up from 12.8 in 1980. County health departments in Ohio report the rate has risen substantially in areas suffering high unemployment; in the county that includes Youngstown, it is up from 13.7 in 1980 to 14.9 in 1981. The rate in Pontiac jumped from 19.6 percent to 23, and in Flint, from 17.6 to 19.6. For one census area of Detroit, where six out of ten people are on public assistance, it is reported at 33 per thousand. Only a small minority of these infants succumbed to infections. The majority died of conditions related to pregnancy, or originating in the first seven days after birth: extreme immaturity, cardiac arrest, and respiratory problems.

Of all the programs that benefit children, the WIC (Women-Infants-Children) is best documented for its effectiveness. Low-birth-weight and premature infants are the most vulnerable to mortality in early infancy and to physical and mental handicaps. Every dollar spent on the food component of the WIC program can save as

much as three in immediate medical costs. At this point the cost to the government in extended hospital care in a neonatal unit may run to $40,000. By contrast, the cost of getting a WIC participant through her pregnancy runs to $450.00. In the State of Massachusetts, the cost of lifetime care for a retarded person is now between $2 and $3 million. It takes very few of those dollars to pay for the WIC program, just as it does not take many complications of measles to pay for the preventive innoculations. We should also figure the costs to the nation of lost taxes and production from fully competent, healthy adult citizens.

In past years, the Administration had proposed severe funding cuts for WIC, which the Congress in its wisdom rejected. But the fact that funding has been kept steady for the past two years in the face of inflation, means that it has in reality been significantly reduced. As a result there are thousands of low-income pregnant women and children locked out of the program.

Everything else aside, we are being penny-wise and pound foolish. Let us look at other facts. While the proportion of poor elderly people is less than in the sixties—15 percent as opposed to 35—the poor have as great a need. Their fixed income is being eroded by inflation. Many suffer from physical handicaps that make if difficult to shop, to prepare food, even to eat some foods. For many, loss of a husband or wife means loneliness and isolation that makes feeding oneself well seem pointless. For many elderly people, congregate meals or meals-on-wheels may tip the scales between continuing to be able to live freely in society and being institutionalized. It has been claimed that meals-on-wheels, at about $10 a meal, is too expensive. For a physician, however, if the patient cannot feed himself or herself well and needs to be looked in on each day, the only alternative to meals-on-wheels may be hospitalization at some $200 a day. For a family, the only alternative to this kind of assistance may be to put older members in nursing homes, at rates that vary from manageable sums to $12,000 a year or even double or triple that figure. In 1980, nursing home care cost the nation $21 billion. If trends continue, by 1990 it is estimated at $90 billion. Yet the fiscal year 1984 budget proposes to cut congreate meals by $28 million and home-delivered meals by $4 million, while most programs are operating at full capacity. In addition, there is increasing emphasis on raising the level of participant contributions. About two-thirds of the participants in these programs are on low incomes. Elderly people as a group are particularly sensitive to the stigma of welfare: for example, less than 50 percent of those who are eligible participate in the food stamp program largely because of the methods through which one obtains food stamps. There is a real danger that people who are unable to contribute to the meals programs will drop out rather than be humiliated.

It is more difficult to document the effectiveness of the other child feeding programs, but anyone who has taught small children will, I think, agree that the School Lunch and Breakfast programs have an educational as well as a feeding function. Children who arrive at school hungry, or who are not decently fed at noon, are really incapable of taking full advantage of their lessons. The School Lunch Program, in particular, also has the potential to be an important part of health education. By feeding these children a nutritious lunch in a pleasant atmosphere we could help to install good eating habits for a lifetime. Since 1980, changes in the School Lunch budget have in effect edge some three million children out of the program. Thirty-five percent of that decline was in children receiving free or reduced-price lunches. Any participation in reduced-price lunches dropped the most. The new proposed cuts—elimination of the 2 cents differential reimbursement to schools in low-income areas and indexing of reduced priced meals to inflation—will once again damage most those who most need the food. In addition, the stigma of having to apply at the welfare office for authorization for free or reduced-price meals without doubt drive some embarrassed parents out of the program. As usual, it seems to be the working poor who are hit the hardest. The cost of food is such a small component in the overall cost of maintaining an educational system that nearly every other Western democracy has made it a normal, free part of public education.

I may also add that the summer feeding program is really an extention of the school feeding programs. Virtually all of the children in this program are low-income. Seventy percent of the children in the Child Care Food Programs are low-income. Almost 90 percent of the children in the School Breakfast Program are receiving free or reduced-priced meals. Yet in the block grant proposal which would turn these three programs over to the states, funding is cut by 28 percent.

Mr. Chairman, I am aware that food stamps are not under the jurisdiction of this subcommittee. But one cannot talk about federal food programs without bringing in food stamps, because this is the base on which all the other programs rest. With almost half the recipients of food stamps children, any cut in the program is basically a cut in child nutrition. School lunch feeds children one meal out of three, one

day out of two in the year. The Food Stamp Program feeds them day in and day out. The program is designed so that participation will rise and fall according to the economy. And it had worked that way. Yet in the last two years the food stamp program has been cut nearly 20 percent—a larger percentage than any other basic benefit program. The new proposed cuts will be particularly hard on families with dependent children, the elderly and disabled, and the states. The proposed sanction for error rates above zero contrasts rather strangely with the federal government's own error rate of about 5 percent in the SSI program.

There are two final comments I would like to make. The first is that with all the current emphasis on defense, people tend to forget that it has a human aspect. In fiscal year 1983, of the total federal outlays excluding those for federal trust funds, we spent 43.8 percent on the military, 2.5 percent on the food stamp program. The best estimate we have is that one-third of all American children will be eligible for food stamps between now and the year 2000. This is, by and large, the class from whom our armed forces are recruited. People also tend to forget that the School Lunch program was started in 1940–41 because people were appalled at the results of the draft, when 50 percent of the boys who were called had to be rejected for physical reasons. We could get ourselves right back into that position.

The country is being told that these hardships and sacrifices are necessary so that we can hold our own against the Soviet Union and other communist nations around the world. The Administration is proposing to engage our adversaries in an ideological debate to demonstrate the virtues of democracy over tyranny.

If American democracy has demonstrated one virtue over others, it is the ability to grow food, process it, and distribute it in a fashion that the Soviet Union has never been able to match.

When we decided to eliminate hunger and malnutrition in our country we were giving a demonstration of the benefits of our system to put the Soviets to shame. Now imagine what propaganda value the Soviets and the proponents of communism are reaping from the nightly pictures on American TV newscasts showing hundreds of thousands of our citizens lining up like paupers for their bowl of hot soup and a roll at the local shelter.

Is this the face of America we want the rest of the world to see? As long as hungry Americans, men, women, and children, are not being cared for by their own country in a decent fashion, no matter how many millions we spend in spreading the message of democracy, it is likely to fall on unsympathetic ears.

The second comment is this. At this point we have some 2.7 billion pounds of dairy products deteriorationg in government storage. Oddly enough, unlike some of our manufacturing industries, United States farmers are in trouble because they are too competent and are producing more food than they can sell. Commodity distribution will help us dispose of some of the surpluses. It is an important step in emergency relief. I applaud the efforts underway in both houses of the Congress to support and expand distribution. But surplus commodities are not a substitute for full funding of the good programs. (I also applaud the effort to create new jobs. But road building and construction jobs do not hold out much hope of employment for the families headed by single women, which make up an increasing proportion of the poor.) But we should also remember that the large feeding programs like school lunch and food stamps are indirectly very important subsidies to agriculture and can help in part to solve our farm problems.

The type of economy that is realized by simply cutting food programs is not only mean and unworthy of us as a nation, it is also foolish. In the long run, in terms of the national health, economy and defense, it is going to be incredibly costly. As an educator, I must add that it will also prove extremely costly in terms of the example we are setting to the young people of the United States.

There are many texts in the Judeo-Christian religious tradition on the shortcomings and sins of individuals, but we pay too little attention to the fact that what we do collectively, as a community and as a nation, is much more important to the lives of our neighbors. There are a number of dark chapters in American history—the witches in Salem, the destruction of the Indian nations, slavery and segregation, the persecution of Japanese-Americans during World War II—but we have also done many things very well. One we can be very proud of is that in 1969 the President of the United States announced a national goal: that we would end hunger and malnutrition in America for all time. We were on the way to doing it. We can still do it.

STATEMENT OF DR. JEAN MAYER, PRESIDENT, TUFTS UNIVERSITY, MASSACHUSETTS

Dr. MAYER. Thank you, sir. It is an honor to appear before your committee and before you. I must say I do so with a certain amount of melancholy because throughout the sixties when I was chairman of the National Council on Hunger and Malnutrition, I appeared before a number of committees in the Senate and the House. I was the first witness before the Senate Committee on Nutrition and we worked terribly hard at the White House conference and in the aftermath and I thought the problem really had been solved. In fact, you may remember that in 1968 the Field Foundation that sponsored a survey of hunger and malnutrition in the United States, which had documented the presence of hunger and malnutrition in every part of the country in some group or other, and the same areas were resurveyed very much by the same people in 1978 and the signs of hunger and malnutrition which had been found 10 years before had disappeared, even in areas such as the area of Applachia, for instance, where the economic situation had not improved a great deal and where clearly the food programs had made the difference.

So there is a particular sadness really in having, I wouldn't say, to start all over again, but to start again to deal with a problem which we thought had been solved.

Mr. Chairman, I have a prepared statement, which you have been kind enough to enter in the record. I would like to go briefly over some of the main points.

Again, I would like to say that the White House Conference on Food, Nutrition and Health in 1969, which was prepared by a bipartisan coalition in the Congress, but called by a Republican President, did set down a series of recommendations having to do with all of the various food programs, which really served as the basis of an enormous national effort to, in the words of that president, "eliminate hunger and malnutrition in America for all time." I emphasize the fact that the move was bipartisan, that the programs were established by two Republican presidents in a row, because I want to make clear that what is being dismantled now is something which is as close to a national bipartisan effort as we have ever had in this country, not a wildeyed, liberal extravaganza, but a very seriously constructed effort supported by both parties.

I certainly, and I think all of us had hoped and expected that we would never be back to testify about a growing problem of hunger in America. It is really inconceivable that a country as rich as ours and as compassionate as ours could move backward in an area of such basic need. And I think as a nutritionist and as an American, I am ashamed that we are where we are.

At this point, all the reports of lines of people waiting for surplus cheese, all the new soup kitchens and the lines of hungry people waiting to be fed, all the most scientific and clear cut data from pediatric hospitals in terms of food emergencies, show that hunger has returned to America.

All the evidence is around us, only the blind or stonehearted could fail to see it. The fact that during the——

Chairman PERKINS. Let me interrupt you. I understand that Mr. Pat Williams, Congressman Williams, was the one that requested you to appear here. However, Mr. Williams, he has appeared before this committee before you came to Congress. I remember the witness has been outstanding throughout the years. I want to recognize you at this time if you have any remarks to make.

Mr. WILLIAMS. Well, I will be very brief. I, too, know that you appeared before this committee and this Congress years ago, and in fact, recollect that you were the first witness to come before Congress, at least in recent times, and talk about the difficulties of hunger and malnutrition. It is discouraging to some of us that we have to bring you back under circumstances that require you to discuss some of the difficult conditions that have been created recently in the United States concerning hunger and malnutrition, but nonetheless, we are delighted you are here and are pleased to continue to have your expertise and guidance.

Dr. MAYER. Thank you.

Mr. WILLIAMS. Thank you, Mr. Chairman.

Chairman PERKINS. Go right ahead with your statement.

Dr. MAYER. Again, I think I'll try to summarize what I've said in my prepared notes.

Let me point out as a commentary on what Mr. Williams has said that in the last few months I've had the opportunity to not only look at data but speak to a great many people who have been involved in dealing with food emergencies, and in particular with mayors of large cities, and again, to show the bipartisan or nonpartisan character of the problem we're dealing with at present, let me cite the fact that last week I spoke with the mayor of Cleveland, Mayor Voinovich, who incidentally is a Republican. Cleveland has a 15-percent unemployment rate, and the mayor was saying that a great many of the resources that he had counted on for all sorts of services and also in part to deal with the schools had to be diverted from other purposes to simply keep people from starving.

He asked me, Mr. Chairman, to emphasize the fact that it is his conviction that however generous private organizations and private citizens may be there is no way in which private initiative is going to replace Federal action, particularly in terms of such areas as food stamps and the school lunch program.

The other point which we discussed and which has been a point of discussion with every mayor of large cities I have talked to is the fact that we should recognize that the character of poverty in America has changed in the past 20 years, that a very large proportion of the very poor at this point are families headed—families of small children headed by single women, unmarried or no longer married women. In 1981 43 percent of the participants in the food stamp program were children. A great many of the participants in the food programs have been the elderly. And I think it's important to note that even if, as we all hope, the economy finally picks up, and in spite of the help that the bills now before the Congress, jobs bills, may give, the fact of the matter is that it is not going to be true that the rising tide lifts all ships.

A number, a very large number, of the very poor are going to continue to be very poor, even with a pickup in the economy and with the jobs bill.

Now, let me discuss some of the evidence that things are, indeed, going badly.

One of the most quantitative sources of data we have are data on infant mortality. Now, as it happens, there was yesterday an article in the New York Times pointing out that just the sheer mechanical consideration of infant mortality rates could not support all of the conclusions that some people had tried to derive from it, that in a given year they are—you know, some statistics in some areas will show a reversal with a little blip up on the curve of infant mortality even though the general trend is down.

On the other hand, the data that I'm going to cite I think I knew from this criticism because they clearly correlate with the unemployment data we have. It's clearly no accident that the particular countries in which we are seeing rises in infant mortality are those particular countries in which the rise in unemployment has been particularly severe.

For instance, the two States with the highest rates of unemployment in the country are Michigan and Alabama, and these are two States in which the rate of infant mortality is going up. In Alabama it went from 12.9 to 14.8 last year. In Michigan it went from 12.8 in 1980 to 13.2 in 1981.

If you look, for instance, at the State of Ohio, you find county by county that the rates have risen substantially in the areas which suffer high unemployment, for instance, in the area that includes Youngstown it went from 13.7 in 1980 to 14.9 in 1981. The rate in Pontiac from 19.6 to 23. In Flint from 17.6 to 19.6.

From the census area of Detroit where 6 people out of 10 are on public assistance, the infant mortality rate is reported as being 33 per thousand, which is extremely high for an industrialized country.

Now, of all this, when you look at the actual causes of death in these children, the majority die of conditions which are not related to infections, but related to pregnancy originating in the first 7 days after birth, such as extreme immaturity, cardiac arrest, and respiratory problems which are the types of causes of mortality which are associated with poor prenatal care and poor prenatal nutrition.

Now of all the programs that benefit children, the WIC program is best documented for its effectiveness. The low-birth weight and premature infants are the most vulnerable to mortality in in early infancy and the vulnerability extends to both physical and mental handicap.

I would like, Mr. Chairman, to put particular emphasis on this because this is an area where it is easy to be pennywise and pound foolish. In fact, it has been well-documented that every dollar spent on the food component of the WIC program can save as much as $3 in immediate medical costs.

At this point the cost to the Government of an extended hospital stay in a new natal unit may run to $40,000. By contrast, the cost of getting a WIC participant through pregnancy runs to $450. So on immediate costs alone, the reduction in immediate post-natal care which has been shown to accompany the WIC program pays for itself the first year. In addition, if you want to look at the cost of long-term care of retarded people and women with poor nutrition

are much more likely to have retarded babies than women with good nutrition, the cost in my State, Mr. Chairman, of a lifetime of a retarded person is $3 million. It takes very few retarded infant births avoided by the WIC program to pay many times over for the program.

In the past years the administration has posed severe funding cuts for WIC which the Congress in its wisdom rejected. But the fact funding has been kept steady for the past 2 years in the face of inflation means that it has in reality been significantly reduced, and as a result there are thousands of low-income pregnant women and children who are locked out of the program.

Similarly, it seems to me that one can show that the costs of congregate feeding and Meals on Wheels is very small as compared to the costs of not doing those programs. If you have a patient who is alone, can't care for himself or herself, or is simply too lonely, the physician has no recourse but to patient in a hospital at $200 a day, or if it is an academic hospital, at $400 a day, and clearly even the $10 for a meal of the delivered Meals on Wheels program is very much cheaper than the alternative. And similarity of congregate feeding has in many cases allowed people to live on their own in their house instead of having to be put in nursing homes.

In 1980 the nursing home care cost the Nation $21 billion. If the present trends continue, by 1990 it is estimated to become $90 billion. Clearly, alternatives such as the congregate feeding and Meals on Wheels and so on are very much cheaper than institutionalization. It is indeed a very foolish thing to cut down on funding of these programs.

Similarly, Mr. Chairman, I don't have to tell you as a great champion of primary and secondary education over the years in our country, how important the school lunch and school breakfast program have been to the children of America. They are programs which have educational as well as nutritional benefits. By feeding children a nutritious lunch or a nutritious breakfast in a pleasant atmosphere we can help them to instill good eating habits for a lifetime.

Clearly, again, the cost of the lunch or the breakfast program is very small to the cost of education in general and to have children not benefit from their lessons because they are hungry is, in effect, an enormous waste of money.

Now in the face of this since 1980 the changes in the school lunch budget have, in effect, edged some 3 million children out of the program, 35 percent of that decline, which is over 1 million children, was in children receiving free or reduced-price luncheons.

And in addition, the stigma of having to apply at the welfare office for authorization of free and reduced-price meals, which is now a rule, is clearly driving some embarrassed parents out of the program. And once again, it seems to me that the working poor are being hit the hardest. We all make pious speeches about the importance of people's right to fend for themselves and not to wait for handouts, but a great many of the measures which have been taken, and particularly the measures having to do with school lunches and some of the measures having to do with other programs, have hit the working poor particularly hard.

The summer feeding program is an extension of the school lunch program. All of the children in this program are essentially low-income, yet again, the block grant proposal which would turn this program over to the State, would, in effect, cut the funding by 28 percent. Finally, Mr. Chairman, I am quite aware of the fact that the food stamp program is not part of the jurisdiction of this committee. On the other hand, the food stamp program is the base on which all of the other programs rest, and I think that sometimes the term "child nutrition programs" blinds us to the fact that close to half of the participants in the food stamp program are children. While the school lunch program feeds children one meal out of three, one day out of two, it builds on the food stamp program which feeds the children day-in and day-out all their meals. And yet, in the past 2 years, in the face of the unemployment that you cited the food stamp program has been cut nearly 20 percent, which is a larger percentage than any other basic benefit program. And that, at the very time when we have food surpluses coming out of our ears, and our farmers are looking for ways and means of seeing more food sold.

I would like to make two, perhaps political, comments, but which I have not seen made anywhere else, but which I think are worth emphasizing.

First, it seems to me that with all the current emphasis on defense, people tend to forget that it has a human aspect. In fiscal year 1983 of the Federal outlays excluding those for Federal trust funds, we spent 43.8 percent on the military and 2.5 percent on the food stamp program. Now the best estimate we have is that one-third of all American children will be eligible for food stamps between now and the year 2000. This is also, by and large, whether we like it or not, the class from whom most of our Armed Forces are recruited.

People tend to forget that the school lunch program was started in 1940–41 because people were appalled at the result of the draft where 50 percent of the boys who were called had to be rejected for physical reasons. We could get ourselves right back into that condition.

The other point that I would like to make is that the country is being told that the hardships and sacrifices that many people are going through are necessary so that we can hold our own against the Soviet Union and other Communist nations around the world. The administration is proposing to engage our adversaries in an ideological debate to demonstrate the virtues of democracy over tyranny. Now if American democracy has demonstrated one virtue over all others it is the ability to grow food, process it and distribute it in a fashion that the Soviet Union has never been able to match.

When we decided to eliminate hunger and malnutrition in our country we were giving a demonstration of the benefits of our program which could and did put the Soviets to shame. Now imagine what propaganda value the Soviets and the proponents of communism are reaping from the nightly pictures of American TV newscasts of thousands of our citizens lining up like paupers for their bowl of hot soup and a roll at the local shelter. Is the face of America that we want the rest of the world to see?

As long as hungry Americans, men, women and children, are not being cared for by their own country in a decent fashion, no matter how many millions we spend in spreading the message of democracy it is likely to fall on unsympathetic ears.

Finally, Mr. Chairman, let me menion that I applaud the fact that various bills have been introduced to do something about the 2.7 billion pounds of dairy products which are deteriorating in Government storage. I think it is obvious that that food ought to be used. It is obvious that money ought to be made available to distribute it. You may remember that in the last much advertised distribution only 57 percent of the cheese which was supposed to be distributed was, in fact, distributed because of lack of funds at the local level.

I would like, on the other hand, to point out that those occasional distribution of dairy products, important though they may be, are not a substitute for the funding of our main food programs, the food stamp program, the school lunch program, the WIC, the various programs for the elderly and the like.

Let me conclude by saying that as I keep on living and having various experiences, I am more and more impressed with the fact that while our whole religious tradition in the West has put a great deal of emphasis on our individual failings—the Book of Common Prayer is full of requests to be forgiven for all sorts of things we have done and have not done. The fact of the matter is that what we do as a collectivity is probably more important than what we do and don't do as individuals. And I think that no matter how much we may hope that our personal merits may be judged kindly on judgment day, I think if we are the generation that is letting people go hungry in America when we have food coming out of our ears, this is really a responsibility that none of us can escape.

And so while I am here, Mr. Chairman, as a technical witness, as someone who for 26 years was a professor of nutrition and has been involved in countless studies of poverty and malnutrition throughout the world, I end up concluding that we are really being tested in terms of our moral worth and this is one issue which clearly is an ethical issue even before it is a technical issue.

Chairman PERKINS. Let me ask you a question and I feel that you are as well qualified to answer the question as anyone else. I have observed the nutrition programs throughout the years. In fact, I have been working on them actively since 1949. But do you feel that the administration policies in connection with taking away a third of the reimbursement rate in the school lunch programs and their policies in regard to food stamps has brought about considerably more hunger in this country?

Dr. MAYER. Yes, Mr. Chairman, the problem of hunger in America was always a problem characterized by low visibility, unless you look for it, you don't see it. In 1969 I went to organize the relief in Biafra during the Nigerian Civil War. There were bodies strewn all over the place and you could not ignore the fact that you were in a famine. We have never had that sort of thing in the United States but we have had a lot of people starving quietly. You will more likely see a great deal of people with unsatisfactory hemoglobin, with poor weight, with small signs of deficiency. There is

very little doubt that the people who are operating pediatric wards in poor areas are seeing more malnourished children now than they saw 3 or 4 years ago.

And as I said, the relatively small, but significant increase in infant mortality in those very counties which we know are counties that are suffering most. So it is not an accidental increase. I think those are signs which we cannot ignore.

I have a feeling that many people in the Bureau of the Budget of the administration really cannot believe that there are hungry Americans. They have never met them. They don't see them. They don't know them. They just see those numbers as numbers where some economies can be made with no understanding that when you get to food for children, you are dealing with something even much more urgent in terms of its consequences than many other programs, even programs such as Government pensions, social security and others.

Chairman PERKINS. Now let me ask you another question. Tomorrow we hope to mark up a commodity bill to require the Secretary of Agriculture to distribute commodities to the food services and to the school lunch programs throughout the Nation, local educational agencies and so forth. This is a short-range solution and will help, in my judgment, but how do you feel about the long-range solution insofar as hunger is concerned in these areas?

Dr. MAYER. In the short run, this food is slowly deteriorating, it should be disposed of and no one can argue against this commodity bill. It is a good thing to do.

But in the long run having special food for the poor, having a Government-run commissary-type of distribution of food is really totally in disagreement with the American philosophy of doing things. I think one of the strengths of our country, and it is a very unique strength—it is certainly not true in the Soviet Union—is that everybody shops at the same stores. The supermarket is sort of the communion table of the American people. People don't buy necessarily the same things but they buy in the same stores and there is a great feeling of equality that comes out of it.

The food stamp program allows people to go to the same stores where other Americans go. If we orient ourselves back into a commodity program-type of system of food for the poor I think, first of all, it is very expensive, it is very inefficient as compared to the normal method of distribution of food. And I think it can be very divisive. I would like all children in America to feel that they are all getting the same food from the same stores.

Chairman PERKINS. I have got to go to the telephone. Congressman Ford wants me, but let me ask you, in the late sixties and we had all the malnutrition throughout the country and we responded with initiatives like the day care, child care, and the summer feeding programs, breakfast programs, greatly expanding the school lunch. Do you feel that we need those same type of programs today that we enacted back then and should they be funded to the extent that they were before we cut them?

Dr. MAYER. I see no reason why we should discontinue any of these programs. The fact of the matter is the food stamp program was designed to go up and down depending on the rate of unemployment. One of the things that shows that the program was

working is the fact that when unemployment went up, the number of food stamp recipients went up. When unemployment went down as it did in two cycles since 1969, the number of recipients of food stamps actually went down.

So clearly the program was responsive to real conditions and I see absolutely no reason not to continue the program with certainly no modification.

The school lunch program I think is a good program. I think it is unequally well administered in different school systems, but I think the principle of it is excellent. I think the summer food programs are essential not only because they continue to feed children during the summer, but because in the absence of a summer food program, usually cities don't have community programs in the summer and I think it is both a waste and dangerous to have an enormous number of children and particular teenagers with nothing to do during the 3 hot months of the summer.

So I personally am satisfied with the programs that were set in place in the early seventies and I really do not see any particular need to do anything but minor adjustments to those programs.

Mr. HAWKINS. The Chair yields to Mr. Goodling.

Mr. GOODLING. Thank you, Mr. Chairman.

I hope when the Russians are showing the people in the soup lines on their television that they are also publicizing the fact that since 1971 their infant mortality rate has gone up 50 percent. By 1980 it was three times as great as ours.

I, of course, agree with most of what you had to say and so do we basically on our side of the aisle. That is why, in our views, in relationship to the budget that comes out of this committee, we have indicated that in view of the major reductions in Federal assistance to these programs that were made in terms of the Omnibus Reconciliation Act of 1981, we do not believe that new major policy changes of funding cuts are appropriate. In fact, we increased somewhat our budget for these programs.

I agree with you that the summer program is very important and led the fight in the last go-round we had with the Senate to make sure it stayed there, and we were successful. I think we will probably be successful again. Always keep in mind that it is not David Stockman who makes these determinations, it is the Congress of the United States. We will do our best to be responsible.

I have no further comments, Mr. Chairman.

Mr. HAWKINS. Thank you.

Dr. MAYER. Mr. Chairman, could I say something?

Mr. HAWKINS. Dr. Mayer.

Dr. MAYER. Again, I would like to emphasize the point Congressman Goodling made in response to what I was saying. I think that in the struggle for the hearts and minds for people throughout the world, we really have an enormous superiority vis-a-vis the Russians. The Russians have an enormous—enormous possibilities in agriculture and are chronically incapable of feeding their own people. Not to take advantage of this and put ourselves in a situation where we are vulnerable when we have food coming out of our ears is particularly deplorable from the point of view of national progress and I completely subscribe to what you said about the infant mortality rate of the Soviet Union which is on the order of

33 per 1,000 instead of 12 in this country. The thing that worries me is, take a place like Detroit, and Detroit has gone down to the Russian average level of 33 per 1,000. It is a very exceptional situation. We have got to watch that it doesn't happen.

Mr. HAWKINS. If Mr. Williams would yield for one question. Dr. Mayer, how do we compare in this country as compared with the other Western democracies. I think that would be a better comparison. None of us compare what we do with Russia, but we do compare what we do with other industrial democracies.

Dr. MAYER. In general, the safety net seems to be better in Western Europe and in Japan than it is in this country. We have a very much larger country. We have a more heterogenous country. We have people more isolated, We have some excuses for perhaps not doing as well as tighter, more homogenous countries in Western Europe. But the fact of the matter is we are not doing as well in terms—the so-called safety net has too many holes in it. There are things like the school lunch program which was institutionalized years ago as a universal program in some Western European countries that we are stiIl struggling with at present. This is not an area of great strength at this point.

Mr. HAWKINS. Thank you.

Thank you, Dr. Mayer. Mr. Williams.

Mr. WILLIAMS. Dr. Mayer, let me follow the direction of the last couple of questions. In your statement, you made a connection in your testimony between good national nutrition and the providing of an adequate defense for America. And your last statement tends to follow on that. Would you visit with us some more about how you see the connection between a national defense and adequate nutrition for our people?

Dr. MAYER. First of all, I want to remind us that historically that the school lunch program was started very much in response to what was considered then the appalling statistic of having 50 percent of the draftees rejected in World War II for physical reasons. A very large cause of rejection was poor dental health, which was a sort of combination of poor nutrition and lack of fluoridation in those days, but all sorts of physical defects were very evident.

The point I am making is that whether we like it or not, the bulk of the noncommissioned ranks in the Armed Forces has tended to be recruited from the lower third economically in our country. With the recent surge in unemployment, the average has sort of tended to move up in the socioeconomic scale, but there is great doubt as to whether this is more than a temporary blip.

I also made the point that as you look at the economic and particularly the social situation of the United States, the enormous growth in the number of divorces, the enormous number of children and women left with very little support by husbands who leave them and don't support them, the projection is that about as many as one-third of all American children between now and the year 2000 are going to be at one point or another in their life eligible for food stamps and to help by the food programs. And what I am saying is that our national defense is dependent upon the quality of the people in it and I think we are going improve neither the physique nor the patriotism of those young people by not taking care of them properly when they are children and growing up.

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Just a general comment that, of course, we want a national defense and we want to make sure that the people who are involved in it know what it is that they are fighting for.

Mr. WILLIAMS. Last December 26, the day after Christmas you appeared on a national television program, "Face the Nation." Let me rephrase a question that was asked to you on that program, and perhaps now that almost 3 months have passed, you have an even better—you have even better information with which to respond.

In your opinion, is there now clear evidence that because of the past 2 years of cuts in nutrition and food programs, some people in the United States are beginning to suffer from severe malnutrition?

Dr. MAYER. Yes; I think that both the evidence of pediatric wards, the evidence of geriatric clinics shows it and I think the single most striking evidence comes from the number of food emergencies that large cities have had to respond to.

I don't want to misquote, for instance, Harrison Golden, the controller of the city of New York, to whose department the food emergencies come, but he was telling me that the number of food emergencies in New York City was many times, I think he said 10 times, the number that it had been 3 or 4 years ago.

And when I talked to Mayor Cleveland last week again he was telling me that the number of instances where money has to be spent by the city just to keep people from starving is out of all comparison to what it was 2 or 3 years ago.

So at least the mayors of large cities clearly see it. And again, the pediatricians in those poor districts in general hospitals also see it.

It's not the sort of situation where I can tell you there are 3,252,000. You really have to go by anecdotal evidence to a certain extent and judgment and we haven't had, you may remember, the type of nutrition surveillance that a number of us advocated a number of years ago has never really been put in place in the United States so the data are really not produced properly.

Mr. WILLIAMS. What mechanisms would you put in place to provide for adequate surveillance?

Dr. MAYER. I would do two things. First of all, you may remember that the Department of Agriculture used to have a 10-year consumption survey, a national consumption survey. I would replace the 10-year consumption survey by an ongoing survey. Instead of surveying the whole Nation, which is interesting statistically and it is useful for planning. In the years between the 10 years I would pick a number of vulnerable areas, say, a typical poor rural county in the South, a poor industrial in the North and have an ongoing survey of household consumption. And then, in addition, I would pick, again, certain clear samplings of people who are vulnerable, for instance, maternity clinics, geriatric wards, pediatric wards in a number of key representative counties and have an ongoing survey. It need not be terribly expensive. Indeed, it need not be expensive at all. It should be done jointly by the Department of Agriculture consumption studies and by the Department of HHS for clinical studies. We would then have a much better indication than we have now.

Now really, all of us have to rely on the fact—for instance, I know a lot of people, I have a lot of pediatricians talking to me, I know some mayors of cities and so on and I have formed a general impression. But there is, however, no real basis for giving you the sort of scientific data that you would like to have and that I would like to give you.

Mr. WILLIAMS. In your judgment, what will be the effect of a decision to allow so-called "junk food" in our school cafeterias across the country?

Dr. MAYER. Well, by junk foods we mean foods which contribute calories and very little else and are also usually very high in sugar and high in salt and fat.

I mention this first because clearly having children have sugared food repeatedly during the course of the day in situations where they don't brush their teeth or can't brush their teeth, and so on, is a sure way to promote dental caries. In addition, clearly this is not good nutrition. It becomes even more serious, if, as is the case, vending machines for junk foods are, in effect, replacing organized school breakfast and lunch programs.

So this is the type of, I think, weakminded giving into certain economic interests and it is happening all over the country. Principals and superintendents are harrassed by tax cuts which force them to rearrange their programs. They are not sure that they are going to be able to continue the good science teaching. They are juggling things all over. They can't be bothered to fight a lobby that wants to introduce vending machines. It seems to them a very small thing as compared to the other problems they have to face. The children often like it.

Unless there are strong policy determinations at the various levels of government, those things keep on creeping in to, I think, everybody's disadvantage except those particular interests.

Mr. WILLIAMS. Are nutritionists and the medical community able to demonstrate effects on a newborn poor maternal nutrition during the time she was carrying the baby?

Dr. MAYER. Yes; in general, as a matter of fact, when you look at all the food programs, I think the cumulative impact of the food programs on the health of the Nation was demonstrated by that second Field foundation-supported survey showing that general signs of malnutrition had, in effect, disappeared between 1968 and 1978.

When you look at special programs, the easiest to document in terms of effectiveness is the WIC program because it has been shown—there have been some serious studies showing that when you compare groups of mothers receiving the WIC program, which is a combination, of course, of food and prenatal care, with similar groups that do not get the WIC program there is an increase in prematurity in particular and in accidents in pregnancy in general in the group that does not receive the WIC program.

That's one area where the documentation is very serious and it is also the area where, as I pointed out, cost estimates have been made and it can be demonstrated that in the first year of application the WIC program more than pays for itself in terms of cost to the overall community.

The most difficult program to document from the point of view of health impact is the one that is the most popular in some ways, the school lunch program. As I pointed out, it feeds the children one meal out of three, 1 day out of 2 and it doesn't make that much of an impact all in all on the nutrition of children. But it certainly has created an impact on the performance of children at school. Children who are hungry clearly don't learn. The evidence for the effectiveness of the school breakfast and the school lunch has to be looked at in terms of learning more than in terms of physical demonstration.

Mr. WILLIAMS. One final question, Mr. Chairman, and I appreciate the extra time you have given me. Doctor, is there documentable evidence to connect poor nutrition with mental illness, criminality in an individual, childhood mortality? These and other difficulties in this society cost us a great deal not only in social costs, but in financial costs and it's become very clear because of the budgetary constraints, clearer, I think to almost every Member of Congress, that if we are going to resolve the ever-increasing budget crisis that continually faces the American people, we are going to have to do more than apply a band-aid to the difficulties. We are going to have to do more than meet them when they become a reality. In fact, we are going to have to move to prevent.

And, if indeed, we can document that poor nutrition is tied to some of the difficulties and illnesses in our society that are so costly, then, perhaps, through improvements in nutrition, we may be able to limit some of those costs down the line.

Dr. MAYER. There is evidence of the link between nutrition and mental retardation. There is clear evidence that poorly fed mothers are much more likely to have premature babies who, in turn, are much more likely to be mentally retarded. That link is very well established. There is evidence, particularly obtained by our colleagues in Mexico, as a matter of fact which has made a specialty of that sort of study, that there is a connection between poor nutrition between the ages of zero and 1 or 1½ and mental retardation or at least incomplete development of the intelligence of children.

Beyond that age the evidence is less clear. The central nervous system has all of its cells and has differentiated after the age of 2 or 3. It is probably that beyond there poor nutrition may interfere with mental development much more by interfering with ability to learn than through a direct effect on the structure of the brain.

Now as far as criminality is concerned, I don't know that anybody has seen a direct link between nutrition and criminality except inasmuch as we know that a substantial proportion of people who are dropouts and have problems sustaining themselves through regular occupations are often exchildren who had problems in the course of their development because of minor physical difficulties that were not detected people who did not see the blackboard, who did not hear very well, as well as people who were not in good learning conditions.

I wish I could say that good nutrition will save us from crime. I certainly cannot say that. But what I can say is that the good care and feeding of our children are more likely to lead them to be in good learning conditions where they are likely to develop into useful citizens than if we neglect them.

Again, the point that was made on the summer programs is an important one. I can't think of anything more demoralizing than to have all those kids piled up in our big cities with nothing to do during the summer. The absence of a summer food program usually means that there is no summer recreation program. I think all of these things go together. I think in many ways the school lunch program has to be seen just as much as an education program as a nutritional program and ought to be integrated into the life of the school system, as part of the educational system.

Mr. WILLIAMS. Well, again, Doctor, my thanks for being with us today. Thank you, Mr. Chairman.

Mr. HAWKINS. Mr. Packard.

Mr. PACKARD. Thank you, Mr. Chairman.

Certainly, Dr. Mayer, you are to be congratulated for your long and interested concern in this whole area of hunger. I think that Mr. Goodling expressed the feelings of almost every one on the committee that we have a deep concern for the hungry. But, I am sure that that concern needs to be accompanied with a concern for long-range solutions.

Your comment, which I thought was very well put: "If American democracy has demonstrated one virtue over others, it is the ability to grow food, process, and distribute it in a fashion that the Soviet Union has never been able to match," and, of course, I think that that is limiting. It's true of every nation in the world. There isn't a nation in the world, not just the Soviet Union, that has been able to match this great process that takes place in America in providing and developing the wherewithal to take care its own.

Most of the children who are being fed through our nutrition programs in the schools have parents who are generally of working age. Obviously, the very nature of having children that age would indicate that the parents would be within the working category. I suppose my concern is not just taking care of the needy, and the poor, and the hungry. I have as great an empathy and concern for that problem as anyone, but I am also concerned about the long-range solution to the problem. Doing more and more feeding is not normally the way to solve the long-range problem. We have a tendency of getting so involved and so overly concerned that as we begin to feed we often fail to look for permanent long-range solutions.

In my judgment, of course, the long-range solution is not just to feed them but to teach them how to feed themselves, how to care for themselves, and to try to stimulate a desire to be self-supporting.

In this program, how would you suggest, that we not just feed, but we also look for the ability to teach the very people whose children are being given the benefit of the programs to become more and more self-supporting rather than more and more dependent upon the programs?

Dr. MAYER. Congressman, I think it's a problem that I think every thinking American worries about. It seems to me that one of the dangers of the present situation is that we have been used to thinking of our economy as being cyclical and we talk about the recession, the upturn, and so forth and I think we are not paying enough attention to the fact that there are deep structural changes

that are taking place in America at the same time, which are in a sense masked by this cyclical situation.

For instance, it is clear that we have some industries that are having very serious problems like the steel industry or the automobile industry, independently of the fact that there is a cyclical problem grafted onto it.

I think the same thing is true in terms of the population that has to be reached by the food program. I think one of the things that has happened, even though we have a high rate of unemployment right now, we have been very successful as a nation in finding jobs for a larger and larger number of Americans. What has happened is a feminization of poverty so that the poor now are basically fairly different as a group from what they were in 1960. In particular, there is that enormous preponderence of families of children headed by women, including fairly small children, which are really not susceptible to the usual sort of, say, jobs bill approach, that we are still used to.

I think that when you want to get to make a larger number of these people self-sufficient, I think what you need is really two things. On the one hand, the creation of a much stronger support system in the country in terms of day care, kindergarten, early schooling. I think it wouldn't do any harm, speaking as an educator, to have our children start at 5 or even at 4 instead of at 6. We also need to create more service jobs for women, including the mothers of these children. I think we could reduce that unemployment, make a lot of people self-sufficient, but not through the classical methods that have been used in the past to reduce unemployment because the population is different.

Now, in terms of the problem of pauperizing people and getting them used to being fed, I think I am particularly concerned about the children because, clearly we don't want to create an underclass in the United States which keeps on being dependent on programs of that sort and that is one of the reasons why over the years I have insisted on the need not to differentiate between children physically in school lunches. We don't want poor children to be labeled as poor children, fed free by the school system, not only in terms of what the other children think of them, but in terms of what they think of themselves.

Similarly, much as I think we should distribute those commodities that are in surplus at this point, I don't like the principle of long-term commodity distribution because, again, it labels a certain category of Americans as being poor who are fed in a different fashion from other Americans. Again, I think of the impact on their children. I am afraid that too many of them will get used to it and accept it as a way of life.

I think all of our food programs ought to be devised clearly keeping in mind the fact that we don't want American children to label themselves as poor and as being in a different category because, among other things, there is a danger that this might stick and that they might not participate in the sort of upwelling that has always characterized America.

I think there is a danger there that ought to be looked at very carefully.

Mr. PACKARD. I think I agree that there is a very delicate balance between the programs designed to take care of the hungry and the possibility that such a program could destroy the very process that made America capable of taking care of its own and taking care of the hungry.

That delicate balance is not something that is easy to find in terms of teaching people to merely depend on those programs and not to go out and look for the way to support themselves.

Dr. MAYER. This is one of the reasons why I don't like the requirement that, for instance, working poor now have to go to the welfare to validate the fact that their children can get reduced or free school lunches. The less people identify themselves with the welfare class the better it is for everybody. It is a humiliation which is unnecessary from the point of view of the recipients and I think dangerous from the point of view of the Nation in the long run.

Mr. PACKARD. Thank you, Mr. Chairman. I appreciate it.

Mr. HAWKINS. Thank you.

Dr. Mayer, I assume that completes the hearing this morning. Again, we would like to thank you for the time that you have given to us. It is a help to us to know that there are distinguished and highly dedicated persons such as yourself who are willing to share some of the time with us.

We would like to thank Congressman Williams who was responsible for making the request to have your presence today and we can well understand why.

Again, we wish to express the appreciation of the committee for your appearance.

That completes the hearing for today. The committee is adjourned.

[Whereupon, at 10:37 a.m., on March 9, 1983, the subcommittee was adjourned.]

[Additional information follows:]

PROCEEDINGS OUTLOOK 1983, AGRICULTURAL OUTLOOK CONFERENCE, U.S. DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.

NUTRITIONAL EFFECT OF SCHOOL LUNCH AND SCHOOL BREAKFAST—TALK BY JOHN S. AKIN, JEFF S. BASS, DAVID K. GUILKEY, PAMELA S. HAINES, AND BARRY M. POPKIN (PRESENTOR), UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL, AT THE 1983 AGRICULTURAL OUTLOOK CONFERENCE, SESSION 25, WASHINGTON, D.C.

During the late 1960s and 1970s, the issues of poverty and undernutrition claimed national prominence. While nutritional imbalances and deficiencies were clearly not limited to low income persons, a disproportionate number of the low income were undernourished. A large proportion of the poor were children of school age. In order to address the nutrition and poverty issues, new federal programs were developed and adjustments were made in existing federally sponsored programs. As examples, the National School Lunch Program (NSLP), in operation since 1946, was authorized to increase federal per-meal reimbursements so that free and reduced-price meals could be served to greater numbers of poor children. The School Breakfast Program (SBP), originally a pilot program targeted to children in schools in low income districts, was made a permanent program and funding was made available to all schools that chose to offer the breakfast program. Until recently, however, no study based on a nationally representative sample of children has assessed how participation in the NSLP and the SBP affects the nutrient intake of school age children. In a series of studies, we have examined the ways in which school lunch and school breakfast participation affect the nutrient intakes of children at all income levels.

Nutritional status of school age children

To determine whether public expenditures for school feeding programs can be justified on nutritional grounds, it is important to review the nature and extent of nutritional imbalances and undernutrition among school age children. Several national surveys have provided dietary, clinical, and/or biochemical measurements useful for assessing nutritional status. These include the 1977–78 Nationwide Food Consumption Survey (NFCS) and the Health and Nutrition Examination Survey of 1971–74 (HANES I). As table 1 shows, based on the HANES I data, serious indications of nutritional deficiencies—the presence of clinical symptoms—are generally present only for a small proportion of the school age population. Teenagers below the poverty level, however, are the exception. Between 6 and 19% of all poor teenagers were found to have clinical symptoms of calcium and niacin deficiency. In general, among HANES I children, nutrient deficiencies were more prevalent among the children from low income families, among blacks, and among teenagers. Milder subclinical deficits are widespread in the population. Deficiencies such as these may have long-term effects, ranging from limiting of growth (particularly for the adolescent) and impairing of the quality of dental health, to contributing to limited attention spans.

TABLE 1.—PREVALENCE OF CLINICAL SYMPTOMS INDICATIVE OF NUTRIENT DEFICIENCY (PERCENTAGE OF CHILDREN IN THE CATEGORY SUFFERING CLINICAL SYMPTOMS)

[In percent]

	6–12 yr		12–18 yr	
	Below poverty	Above poverty	Below poverty	Above poverty
Calcium				
Whites	5.7	4.5	14.8	12.5
Blacks	7.6	6.4	18.9	12.4
Vitamin A				
Whites	7.9	5.9	10.6	6.5
Blacks	14.7	2.6	7.6	5.1
Vitamin C				
Whites	3.6	4.5	29.1	9.0
Blacks	7.8	1.0	27.8	19.2
Niacin				
Whites	4.2	3.9	6.1	7.2
Blacks	7.5	11.0	18.6	10.4

Nutrient intake studies of school age children generally support the findings of the clinical studies. Nutrients most likely to be consumed in inadequate quantities are energy, iron, calcium, riboflavin, vitamin B6, and magnesium. Although average intakes of Vitamin A and Vitamin C usually exceed the Recommended Dietary Allowance (RDA), excessive consumption by some students obscures the very low intakes of others. Among children of ages 6 to 11 in our NFCS samples, one quarter or more consumed less than two-thirds of the age-adjusted RDAs for energy, Vitamin B6, and Vitamin A. Even more of the teens had poor diets. One quarter of more of all sample teenagers ages 12 to 18 consumed less than 60 percent of the RDA for Vitamin B6, Vitamin A, iron, and calcium. The diets of teenage girls were consistently lowest in their nutrient adequacy ratings.

Presence of clinical symptoms indicative of nutrient deficiencies and a widespread underconsumption of selected nutrients within the school age population indicate that a public health problem does exist. Although it is currently popular to attempt to link child health practices, such as excessive consumption of energy, saturated fat, cholesterol, and sodium, to the probability of developing any number of adult chronic disease states, it is important to emphasize that nutrient underconsumption may tend to have important and immediate developmental and behavioral consequences.

Research framework

We have conducted a series of analyses to determine the ways participation is the NSLP and SBP affects the nutrition of school age children.[1] Results discussed below are based on multivariate, statistically controlled regression analyses. The samples consist of school age children selected from the individual files of the Basic and Low Income samples of the Nationwide Food Consumption Survey (NFCS), 1977–78, and the Survey of Food Consumption in Low-Income Households, 1979–80. In each study, individual average one-day nutrient intakes are the primary measures we compare among children. In general, results presented here are for children in the Basic Sample of the 1977–78 NFCS. We statistically control for school meal program participation and other factors thought to affect levels of nutrient consumption among children. These control factors include demographic, socioeconomic, and individual child characteristics—such as age, sex, ethnic background, and anthropometric measures—all of which may influence food consumption patterns. The analyses are presented for two groups of children, those 6 to 11 years old and those 12 to 18 years old.

School lunch participation

Children 6 to 11 years old. School Lunch Program participation makes an important contribution to the diets of children of all ages. When we control for all other factors throught to influence consumption, so that the only difference between students is school lunch participation, younger children who participate in the school lunch program consume more of every nutrient during a 24-hour period than do children who do not participate. The magnitude of the impact for each of the younger children can be quite sizable. For example, as shown in Table 2, for children of all incomes, school lunch participants consume about 6 percent more of their energy requirement than do nonparticipants who eat other kinds of lunch. Participants consume about 20 percent more of the RDAs for calcium, iron, and Vitamin B6, and about 25 percent more of the Vitamin C and riboflavin (not shown) RDAs. School lunch participants also consume 67 percent more of the Vitamin A RDA than do children who eat other kinds of lunches, such as a la carte meals or brown bag lunches from home. Over the same one-day time period, children who eat other, non school lunches do not sem to consume any more calcium, iron, or Vitamin B6 than do children who eat no lunch. Therefore, school lunch participation is particularly important for children ages 6 to 11. Not only does participation increase intakes, but three of these nutrients—energy, Vitamin A, and Vitamin B6—have been identified as particular nutritional problems for younger children.

TABLE 2.—SELECTED SCHOOL LUNCH PROGRAM BENEFITS, AS A PERCENTAGE OF THE RECOMMENDED DIETARY ALLOWANCE, CHILDREN AGES 6–11, NFCS BASIC SAMPLE, 1977–78

(In percent)

	Benefits relative to children eating other kinds of lunches[1]	Benefits relative to children who eat no lunch
Energy	+6	+15
Calcium	+19	+12
Vitamin B6	+21	+23
Iron	+19	+20
Vitamin A	+70	+28
Vitamin C	+21	+67

[1] For example, over a 24-hr period, children who participate in the school lunch program consume 6 percent more of the energy RDA than do children who eat other kinds of lunches and 15 percent more than children who eat no lunch.

[1] For complete results, the interested reader may refer to: Popkin, B., Akin, J., Haines, P., MacDonald, M. and D. Spicer (1980) "Nutrition Program Options for Maternal and Child Health." Institute for Research on Poverty, University of Wisconsin, Madison, Special Report Series No. SR28. Akin, J., Guilkey, D., Haines, P., and B. Popkin (1982) "The Nutrient Impact of School Feeding: A. The National School Breakfast Program, B. The National School Breakast and Lunch Program Interactions." Completed for USDA Contract #53-3244-9-191. Akin, J., Guilkey, D., and B. Popkin (1982) "Impact of the School Lunch Program on Nutrient Intake: A Switching Regression Analysis." (Under final journal review). Akin, J., Guilkey, D., Haines, P., and B. Popkin (1982) "The Impact of the School Lunch Program on Nutrient Intakes." School Food Service Research Review (in press for 1983 winter edition).

Adolescents ages 12 to 18 years.—Teenagers also benefit substantially from School Lunch Program participation. Over a day's time, when all other factors affecting consumption are accounted for, school lunch participants consume more of all nutrients than do nonparticipants. As seen in Table 3, nutrients frequently consumed in inadequate quantities by teenagers, teenage school lunch participants consume about 7 percent more of the niacin RDA[2] and 15 percent more of the RDAs for calcium and Vitamin B6. Similarly, older participants show the benefit of school lunch consumption with intakes of riboflavin and Vitamin A which are 24 to 44 percent of the RDA higher than the intakes of nonparticipants.

Because clinical symptoms of calcium and Vitamin A deficiencies have been noted among teenagers, and dietary intakes of calcium, riboflavin, Vitamin A, and Vitamin B6 are particulary low for a sizable proportion of this population, school lunch participation obviously fills important nutritional gaps for this group.

TABLE 3.—SELECTED SCHOOL LUNCH PROGRAM BENEFITS AS A PERCENTAGE OF THE RECOMMENDED DIETARY ALLOWANCE, TEENAGERS AGES 11–14, NFCS BASIC SAMPLE

[in percent]

	Benefits relative to children eating other kinds of lunches		Benefits relative to children who eat no lunch	
	Males	Females	Males	Females
Energy	+ 8	+ 10	+ 18	+ 23
Calcium	+ 16	+ 17	+ 26	+ 26
Niacin	+ 7	+ 10	+ 18	+ 23
Riboflavin	+ 24	+ 30	+ 32	+ 39
Vitamin B6	+ 13	+ 13	+ 19	+ 20
Iron	+ 7	+ 7	+ 15	+ 15
Vitamin A	+ 35	+ 44	+ 30	+ 38
Vitamin C	+ 11	+ 11	+ 36	+ 36

Low Income Children.—When we look at the impact of school lunch participation for children at differing levels of income, it becomes obvious that the school lunch program makes a particular difference for children of poorer households. For example, young school lunch participants in households with incomes below the poverty index not only consume more energy than do similar children who eat other kinds of lunches, but the size of energy benefit is twice as large (10 percent of the RDA) as the energy impact for similar participants from households with higher incomes (5 percent of the RDA). Similarly, poor, younger NSLP participants consume approximately 22 percent more of the Vitamin B6 RDA than do children eating other types of lunches.

The nutrient intake benefits of school lunch participation are even greater for low income teenagers than for their younger counterparts. Table 4 presents differences between teens in high and low income households. Low income teenage school lunch participants comsume approximately 728 kilocalories per day more than do poor adolescents who eat other types of lunches. This is about one-third of the teenage girls' energy requirement and about one-fourth of the male RDA. (In contrast, at higher income levels the energy impact is only 169 kilocalories.) From our research, it is impossible to determine if this sizable energy impact contributes to overweight among low income teenagers, or even if it can be said with certainty that school lunch participation provides food and nutrients where none would have been consumed in the absence of the program. It is clear, however, that overall diets of the poorest teenagers are greatly helped by school lunch participation. Low income teenage participants consume over 40 percent more of the Vitamin B6 RDA than do nonparticipants—a finding of particular nutritional significance among teenage girls who traditionally have very low intakes of this nutrient. Similarly, low income teenage school lunch participants consume nearly 30 percent more of the iron RDA than do nonparticipants, in contrast to a 6 percent benefit for teen participants in higher income households. Since iron deficiency is a major public health problem, particularly among adolescents, these nutrient benefits can make important health contributions. Vitamin A benefits of school lunch participation are also significant and impressive. Higher income students add about 20 percent of the Vitamin A RDA when they consume school lunch. For low income teens, participants consume nearly 80 to 95 percent more of the RDA than do other poor teenagers who eat other forms of lunch.

[2] This RDA refers to niacin and we have data only for preformed niacin.

TABLE 4.—SELECTED SCHOOL LUNCH PROGRAM BENEFITS, AS A PERCENTAGE OF THE RECOMMENDED DIETARY ALLOWANCE, NFCS BASIC SAMPLE, 1977–78

[In percent]

	Poor teenagers[1]	Higher income teenagers[1]
Females:		
Energy	[1]33	8
Vitamin B6	40	11
Iron	28	6
Vitamin A	97	25
Males:		
Energy	27	6
Vitamin B6	40	11
Iron	28	6
Vitamin A	77	20

[1] These results compare the 24 hr intakes of school lunch participants to the intake of similar income teenagers who consume other kinds of lunches.

School breakfast participation

Children 6 to 11 years old.—Children who consume school breakfast also have diets superior to those who eat other kinds of breakfast, but the relative nutritional impacts are not as consistently significant as those between school lunch participants and those eating other kinds of lunches. Over a day's time, younger children who participate in the School Breakfast Program consume more Vitamin B12, riboflavin, and Vitamin A than do children who eat other forms of breakfast.

Although we have no scientific research results to support this contention, it is almost certain that the availability of a School Breakfast Program increases the frequency with which some children eat a breakfast. For the younger child who eats a SBP breakfast, but would not have eaten a breakfast in the absence of the program, the nutritional benefits are important. Breakfast comsumption increases the day's nutrient intake of every nutrient, relative to intakes of the group of younger children who eat no breakfast. For energy, the impact is nearly one-quarter of the RDA. The Vitamin B6 and iron intakes of breakfast eaters are one-third of the requirements greater than those of nonbreakfast eaters. Vitamin C intakes are increased by nearly the size of the entire Vitamin C RDA. The calcium consumption impact approaches 40 to 45 percent of the calcium RDA.

Clearly, Vitamin A, energy, Vitamin B6, Vitamin C, and calcium are nutrients underconsumed by large portions of the preteen population. For children who normally eat other types of breakfast, of the above nutrients, School Breakfast Program participation appears to contribute to improved Vitamin A nutriture. For children who eat a SBP breakfast where breakfast would not have been eaten otherwise, the nutritional implications of participation are much more important.

TABLE 5.—SELECTED SCHOOL BREAKFAST PROGRAM RESULTS, AS A PERCENTAGE OF THE RECOMMENDED DIETARY ALLOWANCE, NFCS BASIC SAMPLE, 1977–78

[In percent]

	Benefits relative to children eating other kinds of breakfast	Benefits relative to children who eat no breakfast
Younger children:		
Energy	[1]3	23
Calcium	28	72
Vitamin B6	31	72
Iron	31	66
Vitamin A	348	380
Vitamin C	38	127
Older children:		
Energy	15	35
Calcium	44	75
Vitamin B6	15	38

TABLE 5.—SELECTED SCHOOL BREAKFAST PROGRAM RESULTS, AS A PERCENTAGE OF THE RECOMMENDED DIETARY ALLOWANCE, NFCS BASIC SAMPLE, 1977–78—Continued

[In percent]

	Benefits relative to children eating other kinds of breakfast	Benefits relative to children who eat no breakfast
Iron	23	42
Vitamin A	21	16(1)
Vitamin C	32	91

[1] These percentages are calculated from results with various levels of statistical significance.

Adolescents ages 12 to 18 years.—Over a one-day period, when we control for other factors affecting teen nutrient intake, adolescent School Breakfast Program participants consume more protein, calcium, riboflavin, magnesium, thiamin, and iron than do teens eating other kinds of breakfast. The calcium (45 percent of the RDA), riboflavin (65 percent of the female RDA and about 50 percent of the male RDA), and iron (nearly 25 percent of the RDA) intake impacts have particular nutritional status importance. When one considers that these differences are for teens who differ only in that one eats a school breakfast and one eats a nonschool breakfast, the magnitudes of the effects are even more impressive.

As with the younger age group, if a teenager consumes a school breakfast, but would not have eaten breakfast were the program not available, the nutritional implications are even more comprehensive. Relative to teenagers who do not consume breakfast, School Breakfast Program teenage participants consume more of every nutrient except Vitamin B12 and Vitamin A. For this group, who may be encouraged by the presence of the SBP to eat breakfast, daily riboflavin intakes are nearly 100 percent of the RDA greater; with calcium intakes, 75 percent; Vitamin C intakes, at least 50 percent; iron intakes, 40 percent Vitamin B6 intakes, 35 percent; and niacin intakes, 30 percent greater than for comparable teens who do not eat any breakfast. While the growth and the development implications of these additions are important for both sexes, given the larger proportion of teenage females with inadequate dietary intakes, these impacts are particularly significant for the females.

Low income children.—As with school lunch participation, the nutrient intake impacts of school breakfast participation are greatest among children from low income households. As examples, among low income children ages 6 to 11, participants consume over 10 percent more of the energy RDA than do children eating other kinds of breakfasts. Similarly, low income SBP participants consume 25 percent more of the RDA for calcium, 30 percent more of the riboflovin RDA, 15 percent of the Vitamin B6 RDA, and 85 percent more of the Vitamin C RDA, relative to daily intakes of children who eat other types of breakfast.

As is the case with higher income students, daily nutrient intakes are augmented for low income younger students who eat a school breakfast but would not eat breakfast if the program were unavaliable. Adolescents for poorer households also receive substantial nutritional benefits from School Breakfast Program participation. Relative to intakes of other low income teens who consume other kinds of breakfasts, over a one-day period, SBP participants consume substantially more calcium, Vitamin B6, riboflavin, and Vitamin A. When availability of a SBP encourages a low income teen to eat a breakfast, daily intakes of every nutrient increase. Teens in this low income category consume larger quantities of Vitamin B6, Vitamin A, and Vitamin C relative to higher income teens.

Nutrition implications

Participation in the School Lunch and School Breakfast Programs results in increased nutrient intakes. These increases are particularly important for nutrients such as energy, calcium, riboflavin, iron, Vitamin B6 and Vitamin A, for which we have either clinical evidence of deficiency within the school age population or dietary survey evidence indicating consumption below recommended levels by significant segements of the school age population. However, the nutritional effects of school meals participation can also be judged by determining how participation affects the overall diet quality, or the nutritional balance of a diet. Since each nutrient has a metabolic function, independent of intakes of other nutrients, consistent low intake of even one nutrient can have deleterious health effects.

In our analyses, we have identified factors which influence the level of nutrient consumption for the nutrient considered least adequate for each surveyed child in terms of the percentage of the RDA. This RDA for the least adequate nutrient is termed the minimum nutrient adequacy ratio. Selected results of this analysis are presented in Table 6. Across all samples and for all ages, participation in a school lunch program raises the level of the minimum nutrient adequacy ratio by 14 to 17 percentage points, relative to that of students who eat othe types of lunches. In general, consumption of a nonschool lunch is not associated with a significant change in the minimum nutrient adequacy ratio. Only for adolescents in the Basic samples is nonschool lunch consumption associated with any increase in the level of consumption of the most deficient nutrient.

School Breakfast Program participation is even more important in helping children to achieve balanced diets. Within our Basic sample, the level of the minimum nutrient adequacy ratio is approximately 30 percent higher for SBP participants than for children who eat other types of breakfasts. If, in fact, availability of a school breakfast program encourages school age children to eat breakfast who normally would not, the nutritional benefits are even more striking. Among children of all incomes, the minimum nutrient adequacy ratio of SBP participants is approximately 50 percent higher than that of children who do not eat breakfast. This result is found for both age groups. By any interpretation, School Breakfast Program participation and School Lunch Program participation improve the nutrient balance of diets of children of school age. Not only does school meal programs participation augment intakes of many individual nutrients, but such participation increases nutrient intakes for those nutrients most in need of supplementation—nutrients normally consumed in inadequate supply by school age children.

TABLE 6.—IMPACT OF SCHOOL MEALS PROGRAM PARTICIPATION ON LEVELS OF MINIMUM NUTRIENT ADEQUACY RATIO

[In percent]

	Younger children	Older children
SBP participation benefits relative to children eating other types of breakfast	[1]30	34
SBP participation benefits relative to children eating no breakfast	58	52
SBP participation benefits relative to children eating other types of lunch	17	14
SBP participation benefits relative to children eating no lunch	19	21

[1] For example, the least adequately consumed nutrient (minimum nutrient adequacy ratio) is 30 percent of the RDA greater for school breakfast program participants than for children who eat other kinds of breakfasts.

Summary and implications

Participation in the School Breakfast and School Lunch Programs is associated with improvements in nutrient intakes frequently found to be underconsumed by children of school age. Participation is particularly important for low income children of all ages, for whom the nutritional benefits are even greater than for children in higher income households.

If one evaluates the effectiveness of the school meals program on the basis of improvements in the dietary quality of participating children relative to children who are not participating—particularly for low income children—our analysis provides strong evidence that participation is associated with increases in nutrient intakes for some of the most needed nutrients. For younger children, particular needs for increases in energy, Vitamin B6, and Vitamin A intakes are met by program participation. Among teenagers, participation helps to fill several nutritional gaps—notably for calcium, Vitamin B6, Vitamin A, and iron. Where program availability results in a child's consuming a meal where a meal would otherwise not have been consumed, a substantial nutritional benefit is seen. This benefit is particularly evident where School Breakfast Program availability encourages consumption of breakfast. Strong evidence that participation in either the NSLP or SPB helps to improve the nutritional balance of diets of school age children is provided by the fact that the level of consumption for the least adequately consumed nutrient is signficantly increased.

While relatively more significant individual nutritional benefits are realized by low income children, children in higher income levels also receive important benefits. Because some children at all income levels underconsume selected nutrients, program participation helps to fill the needs of all groups of children. Serious nutri-

tional problems exist among segments of the adolescent population. That adolescent participants particularly benefit from the school meals programs is added evidence that school meals programs are a viable and effective means for improving the health of the nation's children.

OVERSIGHT ON ADMINISTRATION'S BUDGET PROPOSALS FOR CHILD NUTRITION PROGRAM

THURSDAY, MARCH 10, 1983

HOUSE OF REPRESENTATIVES,
COMMITTEE ON EDUCATION AND LABOR,
SUBCOMMITTEE ON ELEMENTARY, SECONDARY,
AND VOCATIONAL EDUCATION,
Washington, D.C.

The subcommittee met, pursuant to call, at 9:10 a.m., in room 2175, Rayburn House Office Building, Hon. Carl D. Perkins (chairman of the subcommittee) presiding.

Members present: Representatives Perkins and Miller.

Staff present: Beatrice Ritter Clay, legislative specialist; John F. Jennings, counsel; and Sandra Glover, Republican staff assistant.

Chairman PERKINS. I want to take this opportunity to welcome you all here, since so far as we are concerned in this committee, we do not want to neglect your interests in the legislation by any means.

We want to be as helpful to you as possible because of your great contributions to the educational systems throughout the years.

Today the Subcommittee on Elementary, Secondary and Vocational Education completes its 2 weeks of oversight on the President's fiscal year 1984 budget proposals for child nutrition. This morning we are examining an amendment to the school lunch program that was contained in the 1982 Omnibus Reconciliation Act.

This provision restricted the participation of certain private schools in the school lunch program. We have with us today a panel of witnesses who will address the effect of this provision since its implementation 2 years ago and the impact it will have in future years.

I am glad to welcome here in a panel this morning Richard Duffy, representative for Federal assistance programs, U.S. Catholic Conference; Rene Weber, director of school food services; and Ronald Carriere, director of school food services, Dioceses of Lafayette-Lake Charles, La.

Let's hear from Mr. Duffy first, and without objection, all of the prepared statements will be inserted in the record and you proceed any way you want to, Mr. Duffy.

STATEMENT OF RICHARD DUFFY, REPRESENTATIVE FOR FEDERAL ASSISTANCE PROGRAMS, U.S. CATHOLIC CONFERENCE

Mr. DUFFY. Thank you, Mr. Chairman.

I would like to thank you and the committee for providing us the opportunity to present our views on the $1,500 tuition limitation provision, which excludes many Catholic secondary schools across this country from participation in the national school lunch and other child nutrition programs.

We know that our concerns are similar to those of other private schools which also are excluded, particularly the Hebrew day schools. We speak today primarily on behalf of the 164 secondary schools which were disqualified from the lunch program in school year 1982-83 and for the 193 secondary schools which will be disqualified in 1983-84 school year.

We speak on—my statement is meant to offer you an overview of the impact that this exclusion provision has had on the Catholic school community.

My associates will address the impact this provision has had on their programs at the local level.

The 79th Congress in 1976 enacted Public Law 79-396, the National School Lunch Act. As you recall, this was the first Federal program to provide equal benefits to all the Nation's children, regardless of where they attended school. For 35 years, all students, whether attending public, Catholic, or other private schools, shared equitably in the benefits of the National School Lunch Act and other child nutrition programs enacted by Congress.

All of this was suddenly and drastically changed in 1981. The 97th Congress, in its deliberations over Public Law 97-35, the Omnibus Budget Reconciliation Act of 1981, accepted a proposal by the Office of Management and Budget, which disqualified any private school charging an annual average tuition of $1,500 or more from participating in the National School Lunch Act and the Child Nutrition Act of 1966.

Unfortunately, this proposal, now section 808 of the act, was adopted with little or no debate on its merits. The apparent purpose of this proposal was to reduce Federal expenditures by removing subsidies for families who could afford to provide for the nutritional needs of their children. It, obviously, was assumed that any family which can afford $1,500 for tuition to a private school could well afford to pay for a child's lunch.

This is a subtly specious and false assumption, because there are many low-income families making great sacrifices to send their children to a private school. It would be interesting to learn whether the U.S. Department of Agriculture has any data to demonstrate whether any substantial savings of Federal funds were actually achieved as a result of this provision.

We believe this provision is discriminatory and should be removed.

Catholic schools, which charge $1,500 or more in tuition, do not exclude children of lower income families, whose need for subsidized child nutrition benefits clearly are justified. These children are automatically disqualified from the program simply because their families have made the extra sacrifice to seek out education in a private school.

On the other hand, children of wealthy families residing in exclusive upper income communities, who attend the public school in those areas, remain qualified to receive such benefits.

The Federal Child Nutrition Statutes have been written in such a way as to limit the program benefits according to family income. In its efforts to reduce Federal expenditures in this area, Congress has chosen to target the higher income family for the larger cuts by reducing subsidies for full-paid lunches. This approach, we feel, more equitably addresses the problem of reducing expenditures than does an arbitrary institutional qualification based on tuition charges.

Establishing the tuition limitation provision at the arbitrary sum of $1,500 will eventually exclude many more private schools from participating in the school feeding programs, thus while thousands of students are disqualified from the lunch program because they attend the private school which charges $1,500 or more annually for tuition, students attending public schools, whose annual average per-pupil cost is $2,917, still enjoy the benefits of the lunch program. This is patently unfair and grossly discriminatory.

We urge you to support the removal of this statute or this provision from this statute as soon as possible.

[The prepared statement of Richard E. Duffy follows:]

PREPARED STATEMENT OF RICHARD E. DUFFY, REPRESENTATIVE FOR FEDERAL ASSISTANCE PROGRAMS, UNITED STATES CATHOLIC CONFERENCE

Mr. Chairman, members of the Committee, I am Richard E. Duffy, Representative for Federal Assistance Programs for the Department of Education of the United States Catholic Conference. I am accompained by Mrs. Rene Weber, Director of School Food Services for the Diocese of Cleveland, Ohio, and Mr. Ronald Carriere, Director of School Food Services for the Dioceses of Lafayette and Lake Charles, Louisiana. We would like to thank you for providing us with the opportunity to present our views to this Subcommittee on the $1,500.00 tuition limitation provision which excludes many Catholic secondary schools across this country from participation in the National School Lunch and other child nutrition programs. We know that our concerns are similar to those of other private schools which also are excluded.

We speak today primarily on behalf of the 164 secondary schools which were disqualified from the lunch program in this 1982-83 school year and for the additional 193 secondary schools which will be disqualified in the 1983-84 school year. We also speak on behalf of the thousands of students attending those schools, their parents, and other adults who support them. My statement is meant to offer you an overview of the impact this exclusion provision has had on the Catholic school community. My associates will address more specifically the impact this provision has had on their particular school feeding programs.

The 79th Congress in 1946 enacted Public Law 79-396, the National School Lunch Act. This was the first Federal program to provide equal benefits to all the nation's children regardless of where they attend school. For thirty five years all students, whether attending public, Catholic, or other private schools, shared equitably in the benefits of the National School Lunch Act and the other child nutrition programs enacted by Congress. All of this was suddenly and drastically changed in 1981.

The 97th Congress in its deliberations over Public Law 97-35, the Omnibus Budget Reconciliation Act of 1981, accepted a proposal by the Office of Management and budget, which disqualified any private school charging an annal average tuition of $1,500.00 or more from participating in the National School Lunch Act and the Child Nutrition Act of 1966. Unfortuately this proposal, now section 808 of the Act, was adopted with little or no debate on its merits.

The apparent purpose of this proposal was to reduce Federal expenditures by removing subsidies for families who could afford to provide for the nutritional needs of their children. It obviously was assumed that any family which can afford $1,500.00 for tuition to a private school could well afford to pay for a child's lunch. This is a subtly specious and false assumption, because there are many low income families making great sacrifices to send their children to a private school.

It would be interesting to learn whether the U.S. Department of Agriculture has any data to demonstrate whether any substantial savings of Federal funds were actually achieved as a result of this provision. What this provision did accomplish was

to interject a distinction between public and private school studets in the National School Lunch and Child Nutrition Acts.

We believe this provision is discriminatory and should be removed. Arguments can be made on several levels to support our position.

Catholic schools which charge $1,500.00 or more in tuition do not exclude children of lower-income families, whose need for subsidized child nutrition benefits clearly are justified. These children are automatically disqualified from the programs simply because their families have made the extra sacrifice to seek out education in a private school. On the other hand, children of wealthy families residing in exclusive upper-income communities who attend public schools in those areas remain qualified to receive benefits.

The Federal child nutrition statutes have been written in such a way as to limit the program benefits according to family income. In its efforts to reduce Federal expenditures in this area, Congress has chosen to target the higher income family for the larger cuts by reducing subsidies for "full paid" lunches. This approach more equitably addresses the problem of reducing expenditures than does an arbitrary institutional qualification based on tuition charges.

Establishing the tuition limitation provision at the arbitrary sum of $1,500.00 will eventually exclude many more private schools from participating in the school feeding programs. Thus, while thousands of students are disqualified from the lunch program because they attend a private school which charges $1,500.00 or more annually for tuition, students attending public schools whose average annual per pupil cost is $2,917.00, still enjoy the benefits of the lunch program. This is patently unfair and grossly discriminatory.

We are convinced that the exclusion provi[illegible] justified on budgetary grounds. Since it has introduced a blatantly discrimin[illegible]lement into these longstanding and laudable programs, we urge you to support its removal from the statute as son as possible.

Mr. JENNINGS. Could Ms. Weber continue. Mr. Perkins will be right back, and then some other Congressmen are on the way.

STATEMENT OF RENE WEBER, DIRECTOR OF SCHOOL FOOD SERVICES, DIOCESE OF CLEVELAND

Ms. WEBER. My name is Rene Weber, I am the director of Food Services for the Diocese of Cleveland, Ohio.

I am grateful for the opportunity to appear before the committee to discuss the tuition limitation provision leveled only against private schools.

The Diocese of Cleveland has 27 high schools, grades 9 through 12, with an enrollment of 20,653 students, which this tuition limitation seriously affects.

The 168 elementary schools in the Cleveland Diocese are not yet affected because its tuition is considerably less. We believe this provision is discriminatory for many reasons. Any public school district may participate in the national school lunch program, regardless of its per-pupil cost.

For example, the Cleveland City School District's per-pupil cost is $3,598.99, yet a Cleveland inner city high school will not be allowed to participate in the national school lunch program when its tuition reaches $1,500.

The Orange Public School District, located in Cuyahoga County, registers a per-pupil cost of $4,111.35. This amount is more than double a nonpublic high school tuition.

Furthermore, if a student moves out of the Orange Public School District, which is a wealthy school system, and wishes to attend a school in the Orange District, that student must pay tuition of $369 per month, or $3,564 a year. For the record, this district does participate in the national school lunch program and students may participate in it.

Within the next 2 years, no Catholic high school in the eight counties of the Diocese of Cleveland will be able to participate in the national school lunch program.

Of the 27 high schools in our diocese, 11 are presently in the program. No further outreach could be accomplished for the remaining 16 because of this rule.

I have enclosed the per-pupil costs of the public school districts in the same areas as some of our high schools. These schools are in the same neighborhoods. All the public schools may participate in the program and the private schools who charge in excess of $1,500 are prohibited. This truly is discriminating.

Public and nonpublic per-pupil costs escalate each year. This limitation protects public schools and discriminates against private schools. Also, as indicated earlier, public school districts do charge tuition to students moving out of the district who still wish to attend school in that district, yet this tuition limitation is not applicable to public schools under any circumstances.

In fact, there is not one public school district in the State of Ohio whose per-pupil cost is below $1,500. This provision was included 2 years ago without any discussion in Congress. We would like to see this limitation removed completely due to its discriminatory nature.

My main point is that there are many free and reduced-priced meals being served in these Catholic high schools. Parents have sacrificed to send their children to our high schools. Many students work on Saturday and after school to remain in our schools.

We are convinced that continued participation in the national school lunch program in our high schools is distributive justice in its classic form.

If this limitation remains in effect permanently, it will not be long before the 168 elementary schools in our Diocese fall through the crack, thereby losing another 63,000 children, many of which are in the inner cities of Cleveland, Akron, Lorain, and Elyria.

I do not believe that it is the intent of Congress to deny needy students the benefits of the national school lunch program because their parents exercise their freedom of choice. It appears that Congress intent has always been that Federal dollars should follow the student, regardless of parental choice.

It is interesting to note that other Federal programs can include these students, regardless of the cost of tuition. For example, Public Law 94-142, the Handicapped Act. Also, ECIA chapter 2, block grants, do not impose a tuition ceiling.

Youngsters at this age will certainly revert to junk food at a time when their physical development needs a balanced meal.

Finally, exactly 2 years ago today, March 10, 1981, Mr. Richard Lyng, Deputy Secretary of Agriculture, sat before this same committee and said:

> We propose to remove private, nonprofit schools with an annual tuition over $1,500 from receiving Federal meal subsidies. These schools generally serve students from middle and upper income families. We believe that few students will be affected by this action, saving $5 million.

It is most appropriate that you have agreed to hear our counter testimony today, years later, March 10, 1983. Many are affected, not few.

[The prepared statement of Rene Weber follows:]

PREPARED STATEMENT OF RENE WEBER, DIRECTOR, FOOD SERVICES, DIOCESE OF CLEVELAND, OHIO

Dear Mr. Chairman and members of the committee. My name is Rene Weber. I am the Director of Food Services for the Diocese of Cleveland, Ohio.

I am grateful for the opportunity to appear before this committee to discuss the $1,500 tuition limitation provision leveled only against private schools.

The Diocese of Cleveland has twenty seven (27) high schools (grades 9-12) with an enrollment of 20,653 students which this tuition limitation seriously effects. The 168 elementary schools in the Cleveland Diocese are not yet affected because tuition is considerably less.

Mr. Chairman, we believe this provision is discriminatory for the following reasons.

Any public school district may participate in the National School Lunch Program regardless of its per pupil cost. For example, the Cleveland City School District's per pupil cost is $3,598.99, yet a Cleveland inner city private high school will not be allowed to participate in the National School Lunch Program when its tuition reaches $1,500.

The Orange Public School District located in Cuyahoga County registers a per pupil cost of $4,111.35. This amount is more than double a non-public high school tuition.

Furthermore if a student moves out of the Orange Public School District (a wealthy school system) and wishes to continue to attend a school in the Orange District, that student must pay tuition of $369.00 per month or $3,564.00 a year. And for the record, this district participates in the National School Lunch Program and the students may participate in the program.

Mr. Chairman, within the next two school years NO catholic high school in the eight counties of the Diocese of Cleveland will be able to participate in the National School Lunch Program. Of the 27 high schools in the eight counties of our Diocese, eleven (11) are presently in the program. No further outreach could be accomplished for the remaining sixteen (16) schools because of this rule.

I have enclosed for the record the per pupil costs of the public school districts in the same areas as some of our high schools. These schools are in the same neighborhoods. All the public schools may participate in the National School Lunch Program and the private schools who charge in excess of $1,500 are prohibited. Truly discriminating.

Public and non-public per pupil costs escalate each year; this limitation protects public schools and discriminates against private schools.

Also, as indicated earlier, public school districts do charge tuition to students moving out of the district who still wish to attend school in that district. Yet this tuition limitation is not applicable to public schools under any circumstances.

In fact, there is NOT ONE public school district in the State of Ohio whose per pupil cost is below $1,500.

This provision, Mr. Chairman, was included two years ago without any discussion with the Congress. We would like to see this limitation removed completely due to its discriminatory nature.

My main point, Mr. Chairmam, it that there are many free and reduced priced meals being served in these Catholic High Schools. Parents have sacrificed to send their children to our high schools. Many students work on Saturdays and after school to remain in our schools.

We are convinced that continued participation in the National School Lunch Program in our high schools is distributive justice in its classic form.

If this limitation remains in effect permanently, it won't be long before the 168 elementary schools in our Diocese fall through the crack; thereby losing another 63,000 children, many of which are in the inner cities of Cleveland, Akron, Lorain and Elyria.

I do not believe it is the intent of the Congress to deny needy students the benefits of the National School Lunch Program because their parents exercised their freedom of choice.

It appears that Congress' intent has always been that Federal dollars should follow the student regardless of parental choice.

It is interesting to note that other Federal programs can include these students regardless of the cost of tuition.

For example, Public Law 94-142, the Handicapped Act. Also, ECIA Chapter 2, Block Grants, do not impose a tuition ceiling.

Mr. Chairman, youngsters at this high school age not in the National School Lunch Program will certainly revert to junk food at a time when their physical development needs a balanced meal.

Finally, Mr. Chairman, exactly two years ago today, March 10, 1981, Mr. Richard Lyng, Deputy Secretary of Agriculture, sat before this committee and said, (quote) "We propose to remove private, non-profit schools with an annual tuition over $1,500 from receiving Federal meal subsidies. These schools generally serve students from middle and upper income families. We believe that few students will be affected by this action (savings $5 million)." (end of quote).

It is most appropriate, Mr. Chairman, that you have agreed to hear our counter testimony today, two years later, March 10, 1983.

Many are affected, not few!

Thank you very much Mr. Chairman and members of the committee.

Cleveland Catholic Diocese private schools	Public school districts 1981-82	
	City school district	Public school district per pupil cost
Beaumont School for Girls	Cleveland Heights	$3,154.48
Cleveland Central Catholic	Cleveland City	3,598.99
Elyria Catholic	Elyria City	2,355.67
Gilmour Academy	Mayfield City	4,109.89
St. Ignatius	Cleveland City	3,598.99
St. Joseph	Cleveland City	3,598.99
Lake Catholic	Mentor City	2,405.98
Lorain Catholic	Lorain City	2,356.33
Padua Franciscan	Parma City	2,862.29
Trinity	Garfield Heights	2,813.89

Note: All of the above mentioned public school districts are currently participating in the national school lunch program at the secondary level.

Mr. JENNINGS. Thank you. Mr. Carriere.

STATEMENT OF RONALD CARRIERE, DIRECTOR OF SCHOOL FOOD SERVICES, DIOCESES OF LAFAYETTE-LAKE CHARLES, LA.

Mr. CARRIERE. Prior to the addition of the $1,500 provision, the National School Lunch Act provided a subsidy for meals served to all children in all schools participating in the program, regardless of parental income or the schools' charge for tuition.

In addition, an increased subsidy was provided for those students who met the criteria for free and reduced-priced meals.

I would assume that the addition of the $1,500 tuition ceiling came about based on the premise that all students enrolled in schools with a $1,500 tuition rate are children of affluent parents. Nothing could be further from the truth.

Recent research by the Office of Education revealed that most children who attend Catholic schools nationwide do not come from affluent familes, but from the middle and lower income sectors of our population.

In the Catholic schools in Louisiana that charge $1,500 tuition, you will find that there are students in attendance from all socio-economic backgrounds, including children from families below the poverty level. Many of these students are sponsored by individuals other than their parents so that they may receive a Catholic education.

In addition, many parents bear the added burden of tuition costs by sacrificing some material things that may be considered basic to everyday life. Some high school students take part-time jobs to

earn money for tuition, which will enable them to attend a certain school.

We believe that this tuition policy is discriminatory for the following reasons:

Children who attend public schools receive meals that are subsidized, regardless of their parents' income.

Children who qualify for free or reduced-priced meals receive an additional subsidy.

Children, on the other hand, who attend Catholic schools, are charged $1,500 tuition, are denied the benefits of the national school lunch program simply because of the school's tuition rate.

In addition, many of these children would qualify for free or reduced-priced meals if they attended a public school.

There are children from families with incomes in excess of $100,000 a year and more who attend public schools and receive federally subsidized meals on a daily basis, whereas children from familes with the same income who attend Catholic schools are denied these benefits.

There are a number of Catholic schools in Louisiana that charge $1,500 a year for tuition which prevents 4,400 students each day from participating in the national school lunch program.

Of these students, 10 percent would qualify for reduced-priced meals and 7 percent would receive free meals if they were enrolled in a public school.

The number of schools that will be disqualified from participating in the program will increase as inflation causes tuition rates to rise to and beyond the $1,500 ceiling. This will result in the exclusion of a larger number of students from the program each year.

As spokesman for the Louisiana Catholic Schools, I urge the members of this committee to initiate action that will result in the abolishment of this discriminatory provision.

I appreciate this opportunity to appear before you and I thank you for your consideration.

[The prepared statement of Ronald Carriere follows:]

PREPARED STATEMENT OF RONALD W. CARRIERE, ASSISTANT SUPERINTENDENT, COMPTROLLER—FOOD AND NUTRITION, DIOCESES OF LAFAYETTE AND LAKE CHARLES, LA.

This testimony is offered with regard to the addition of a provision that disqualifies private schools from participating in the National School Lunch Program if schools charge a tuition rate of $1,500.00 or more per year.

Prior to the addition of this provision the National School Lunch Act provided a subsidy for meals served to all children in all schools participating in the program regardless of parental income or the schools' charge for tuition. In addition, an increased subsidy was provided for those students who met the criteria for free or reduced price meals.

I would assume that the addition of the $1,500.00 tuition ceiling came about based on a premise that all students enrolled in schools with a $1,500.00 tuition rate are children of affluent parents. Nothing could be further from truth. Recent research by the Office of Education revealed that most children who attend Catholic Schools nation wide, do not come from affluent families, but from the middle and lower income sectors of our population.

In the Catholic Schools in Louisiana that charge $1,500.00 for tuition, you will find that there are students in attendance from all socio-economic backgrounds; including children from families below the poverty level. Many of these students are sponsored by individuals other than their parents so that they may receive a Catholic education. In addition, many parents bear the added burden of tuition cost by sacrificing some material things that may be considered basic to everyday life. Some

high school students take part time jobs to earn money for tuition which will enable them to attend a certain school.

We believe that this tuition policy is discriminatory for the following reasons:

1. Children who attend public schools receive meals that are subsidized regardless of their parents' income. Children who qualify for free or reduced price meals receive an additional subsidy.

2. Children who attend Catholic Schools that charge $1,500.00 for tuition are denied the benefits of the National School Lunch Program simply because of the school's tuition rate. In addition, many of these children would qualify for free or reduced price meals if they attended a public school.

3. There are children from families with incomes in excess of $100,000.00 per year who attend public schools and receive federally subsidized meals on a daily basis. Children from families with the same income who send their children to a Catholic School, which has a tuition charge of $1,500.00, are denied the benefits received by the other family.

There are a number of Catholic Schools in Louisiana that charge $1,500.00 a year for tuition which prevents 1,400 students each day from participating in the National School Lurch Program. Ten percent of these students would qualify for reduced price meals and seven percent would receive free meals if they were enrolled in a public school.

The number of schools that will be disqualified from participating in the program will increase as inflation causes tuition rates to rise to and beyond the $1,500.00 ceiling. This will result in the exclusion of a larger number of students from the program each year.

As spokesman for the Louisiana Catholic Schools, I urge members of this Committee to initiate action that will result in abolishment of this discriminatory provision. I appreciate this opportunity to appear before you and I thank you for your consideration.

Mr. JENNINGS. Mr. Duffy, can I ask a couple of questions? You stated that there were 164 schools which have currently been disqualified because of this requirement, and that you anticipate that there will be an additional 193 secondary schools that will be disqualified.

What percentage of Catholic high schools do these numbers represent?

Mr. DUFFY. There are 1,498 Catholic high schools. We will round it off, 1,500. The total will be 359 Catholic high schools disqualified. That figure, 193, yesterday jumped up to 195, when I got another report in.

Mr. JENNINGS. It is having a substantial impact, then, on the number of schools.

Mr. DUFFY. Yes, it is about—I would say it is about one-third.

Mr. JENNINGS. Over the course of 2 years.

Mr. DUFFY. Over the course of—we anticipate in 19—the next school year, we will lose 195 more.

Mr. JENNINGS. So, within 2 years, one-third of Catholic high schools will be no longer qualified to participate in the National School Lunch Act because of this requirement?

Mr. DUFFY. Right.

Mr. JENNINGS. Could you also tell me, last year, or in 1981, in order to try to mitigate some of the harm that could come from this provision, some language was inserted in the report language of the Conference Committee trying to urge the Department of Agriculture not to have a strict $1,500 cutoff, but rather to consider the presence of students who are partially subsidized with their tuition.

Has that language in the committee report had any effect on the Department's administration of this provision?

Mr. DUFFY. Yes, it has. In the regulations, the regulations, in its definition of tuition, limits it to just the fee for matriculation at the school. Then it provides each school an opportunity to average the tuition to take care of youngsters who are there on scholarships. So when they average, they do not count the scholarships in figuring the average tuition.

Mr. JENNINGS. So they are averaging tuition over all the students, even those who are partially subsidized?

Mr. DUFFY. That is correct. We attempted to have the Department, and we feel that the report language also gave the Department the authority to have dioceses who handle the school lunch at the centralized office, to average the tuition over all of the schools participating in the program, but the Department did not read the report language the way we read it, and they do not let the diocese do it if they operate the programs centrally. They permit each school to average the tuition.

Mr. JENNINGS. Would that averaging across the diocese have a considerable effect, or would it be minor?

Mr. DUFFY. It would have a considerable effect because you would take all of the total number of students and average the tuition for all of the schools, and it would lower that tuition considerably.

Mr. CARRIERE. If I might add, you would be averaging the elementary tuition with the high school tuition and naturally elementary tuition is lower, so that would have a marked effect.

Chairman PERKINS. Let me say, if one-third of your high schools, because of this requirement, will be eliminated, we have got to do something about it.

Mr. DUFFY. Thank you, Mr. Chairman.

Chairman PERKINS. I think we can do something about that. Have all of them made their statements?

Mr. JENNINGS. Yes.

Chairman PERKINS. Now, the American School Food Service Association testified earlier this week that bonus commodities have helped schools cut their meal production costs 5 to 6 cents per lunch.

Have you experienced similar savings as a result of these bonus commodities?

I would like for all of you to make a statement on that.

Ms. WEBER. We have received just a bonus of commodities, not just what you call the bonus commodities, but we have received an abundance of commodities this year in all categories, and it has been wonderful. It has saved us, I would say, an equal amount.

Chairman PERKINS. Go ahead.

Mr. CARRIERE. I would say that we are saving 5 to 6 cents per meal, but I hasten to say that we certainly could use some of the grain products, such as rice and some of the other cereal grains that are stored in abundance, we would like to have more of that, and have the Secretary distribute that, or be mandated to distribute that.

Mr. DUFFY. I have no answer to your question, Mr. Chirman. I do not operate a program at the local level. These two people are the experts.

Chairman PERKINS. All right. Now what impact have the 1982 cutbacks on the lunch and breakfast participation levels in those private schools that were not affected by the $1,500 tuition ceiling?

Mr. CARRIERE. The breakfast program in my diocese now is nonexistent. It has wiped it out.

Ms. WEBER. Likewise. We had to drop breakfast and participation in general was down because of the change in category.

Chairman PERKINS. Now, under the administration's block grant proposal, funds for the summer school breakfast and child care food programs will be sent directly to the States, and the States will have the latitude to determine which of the three programs they will fund.

Under this proposal, what consideration has been given to the private schools?

Mr. CARRIERE. I am not sure what consideration has been given to the private schools, however, it has always been my philosophy, if it works, do not fix it. The present way that we are receiving funds now, we like that. I am just afraid of a block grant, when it gets down to the State level, how we would be affected, if we would be treated equally and fair, or as unloved stepchildren.

Ms. WEBER. I am against the block grant proposal.

Chairman PERKINS. Thank you very much.

Now, Ms. Weber and Mr. Carriere, when Catholic schools have been eliminated from participation in many areas, how many poor students in those schools have been denied lunches by the elimination and did this $1,500 amendment only affect affluent students?

Mr. CARRIERE. It did not only affect affluent students, the fact of the matter is, in the State of Louisiana, 17 percent of our participation is either in the free and reduced sections, so we have some poor, needy kids that have been denied meals.

Mr. DUFFY. The total number of youngsters denied, Mr. Chairman, or disqualified, will be 54,185. Now what percentage of those youngsters are from poor families, I do not know, but it is a substantial number of students disqualified.

Ms. WEBER. On the last page of my testimony, I listed the 11 schools that are presently in the program in the Cleveland Diocese, and representative in those 11 schools, you are talking about 900 free and reduced.

Chairman PERKINS. Let me say that I appreciate all your testimony here this morning. You have made very important statements. Keep up with us, we are going to do our best to help you. You people have done a wonderful job of educating children and have taken so much burden off the public school systems of this country.

Naturally you deserve much consideration for that.

Mr. CARRIERE. Thank you, Mr. Chairman, and let me say that we appreciate your support of the program.

Chairman PERKINS. Thank you very much. Good luck to all of you.

Ms. WEBER. Thank you.

Mr. DUFFY. Thank you, Mr. Chairman.

Chairman PERKINS. The hearing is adjourned.

[Whereupon, at 9:40 a.m., the subcommittee was adjourned, to reconvene subject to the call of the Chair.]

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